

**NEW MEXICO
DEPARTMENT OF TRANSPORTATION**

TRANSPORTATION COMMISSION MEETING

July 19, 2018

**New Mexico Department of Transportation
District Four Raton Patrol
161 Hereford Avenue
Raton, New Mexico 87740**

NEW MEXICO STATE TRANSPORTATION COMMISSION
New Mexico Department of Transportation
District Four Raton Patrol Yard
161 Hereford Avenue
Raton, New Mexico 87740
July 19, 2018
8:30 am

Meeting Agenda

- 1. Call to Order:** Ronald Schmeits, Chairman
 - a. Pledge of Allegiance**
- 2. Approval of Agenda:** Ronald Schmeits, Chairman
- 3. Approval of Minutes:** Regular Meeting of May 17, 2018
- 4. Introductions:** Ronald Schmeits, Chairman
 - a. Elected Officials**
 - b. Commission Members**
 - c. NMDOT Executive Staff**
- 5. Welcoming Remarks:** Ronald Schmeits, Chairman
- 6. Public Comment**
- 7. Request for Approval to Dedicate a 2.5 Mile Portion of NM 50 as the “Representative Luciano “Lucky” Varela Memorial Highway”:** Tom Church, Cabinet Secretary, NMDOT
- 8. District Five Best Practice Presentation:** Anthony Lujan, Deputy Secretary, NMDOT
- 9. District Four Presentation, Employee Recognition and Best Practice:** David Trujillo, P.E., District Four Engineer, NMDOT
- 10. Employee Excellence Training Award Winner:** Anthony Lujan, Deputy Secretary, NMDOT
- 11. Staff Briefings:**
 - a. Secretary Report:** Tom Church, Cabinet Secretary, NMDOT
 - b. FHWA Report:** J. Don Martinez, Division Administrator, FHWA
- 12. Finance Reports - Ron Schmeits, Chairman**
 - a. Monthly Financial Report:** Mallery Manzanares, Budget Director, NMDOT
 - b. NMFA Monthly Report:** Mark Lovato, Investment Manager, NMFA

- c. **Approval of FY18 Budget Adjustment Request (BAR) No. 16 Bond Sale:** Mallery Manzanares, Budget Director, NMDOT
- d. **Approval of FY19 Budget Adjustment Requests (BAR) Nos. 5, 6, and 7:**
Anthony Lujan, Deputy Secretary, NMDOT; Kevin Olinger, Transit and Rail Division, NMDOT; and Mallery Manzanares, Budget Director, NMDOT
 - BAR No. 5 Infrastructure of NMDOT Buildings
 - BAR No. 6 Federal Transit
 - BAR No. 7 Ignition Interlock

13. Infrastructure Reports- Butch Mathews, Chairman

- a. **Request for Approval to Initiate Rulemaking Action to Amend 17.4.2 NMAC, *New Mexico Code for Utilities*:** Dean Serna, Utility Manager, NMDOT
- b. **Request for Approval of Final Rulemaking Action Adopting Amendments to 18.27.5 NMAC, *Transportation and Highways, Highway Construction General Provisions, Contractor Prequalification Rule*:** Armando Armendariz, Design and Construction Division Director, NMDOT
- c. **Request for Approval to Initiate Rulemaking Action for the Establishment of 18.14.5 NMAC, *Highway/Railway Intersection and Joint Interest Projects*:** Bill Craven, Rail Bureau Manager, NMDOT

14. Policy Reports - Kenneth White, Chairman

- a. **New Mexico Rail Runner Express Annual Report to the State Transportation Commission:** Dewey Cave, Executive Director, Rio Metro Regional Transit District, and Tony Sylvester, Special Projects Manager, Rio Metro Regional Transit District
- b. **Request for Approval of Proposed Amendments to Commission Policy No. 32, *Mineral and Water Rights (CP32)*:** Stephen Thies, Assistant General Counsel, NMDOT
- c. **Request for Approval of Proposed Amendments to Commission Policy No. 65, *Interstate Access (CP65)*:** Stephen Thies, Assistant General Counsel, NMDOT

15. Adjournment

Tab 1-2

Call to Order

Pledge of Allegiance

Approval of Agenda

Agenda Items 1-2

1. Call to Order: Ronald Schmeits, Chairman
 - a) Pledge of Allegiance
2. Approval of Agenda: Ronald Schmeits, Chairman

Tab 3

Approval of Minutes

**NEW MEXICO STATE TRANSPORTATION COMMISSION
MEETING**

**New Mexico Department of Transportation
District One Auditorium
2912 E. Pine Street
Deming, New Mexico 88030
May 17, 2018**

The New Mexico State Transportation Commission (STC or Commission) held a regular meeting on May 17, 2018, 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 Sepich 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 White made a motion to so approve; Commissioner Sepich seconded; motion carried unanimously.

Approval of the STC Minutes

Chairman Schmeits asked for a motion to approve the minutes of the STC regular meeting of March 15, 2018; Commissioner Sepich made a motion to so approve; Commissioner Mortensen seconded; motion carried unanimously.

Elected Officials and Delegations:

The Honorable Benny Jasso, Mayor, City of Deming

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 (Absent with Notice)
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.

Public Comment

Philo Shelton, Public Works Director, Los Alamos County, reported that he hopes to get the construction project on NM 502 out for bid again and thanked NMDOT staff for completing the project designs. He also informed the STC and NMDOT staff that he was recently elected President of the New Mexico Transit Association, which includes 46 member transit agencies around the state.

Request for Approval Proposed Dedication of the Bridge Located on NM 53 over Interstate 40 in the City of Grants, as the “Vietnam Veterans’ Memorial Bridge” and Adoption of Related STC Resolution No. 2018-06 (MAY)

Anthony Lujan, Deputy Secretary, NMDOT, discussed and requested approval of the proposed request to dedicate the bridge located on NM 53 at Milepoint 85.6 over Interstate 40 between Exits 81A and 81B at Milepoint 81.9 in the City of Grants (Bridge No. 7143), as the “Vietnam Veterans’ Memorial Bridge”. Deputy Secretary Lujan explained that during the 2018 New Mexico Legislative Session, the House of Representatives passed House Memorial 70. The Memorial requested the naming of the subject bridge to honor and recognize New Mexico’s Vietnam War veterans for their valor and military service and the sacrifices they made on behalf of the State of New Mexico and the nation.

Chairman Schmeits asked for a motion (1) to approve the proposed dedication of the bridge located on NM 53 at Milepoint 85.6 over Interstate 40 between Exits 81A and 81B at Milepoint 81.9 in the City of Grants (Bridge No. 7143), as the “Vietnam Veterans’ Memorial Bridge”, and (2) to adopt related STC Resolution No. 2018-06 (MAY); Commissioner Moore made a motion to so approve the proposed designation and to adopt the related Resolution; Commissioner Mortensen seconded; motion carried unanimously.

District One Presentation and Employee Recognition

Trent Doolittle, P.E., District One Engineer, NMDOT, introduced the Honorable Benny Jasso, Mayor, City of Deming, and invited him to speak. Mayor Jasso thanked NMDOT for the help it has provided to the community over the years. He hopes the great working relationship

will continue. Because of NMDOT's assistance, several projects have been completed and several more are in process.

Secretary Church thanked Mayor Jasso for all of the help he and the City provided during the dust storms.

Mr. Doolittle subsequently 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, acknowledged the recent award winners and introduced other District staff members in attendance at the meeting.

Staff Briefings

Secretary Report

Tom Church, Cabinet Secretary, NMDOT, thanked NMDOT staff for their work on bonds, Waste Isolation Pilot Plant (WIPP) matters, right of way (ROW) issues, and positive train control. He reported that NMDOT's recent bond rating presentations went well and that NMDOT bonds have retained a AAA rating. At the investors conference, NMDOT was rated very solid and is considered a good risk. The proposed debt refinancing transaction should occur within the next month.

FHWA Report

J. Don Martinez, Division Administrator, FHWA, discussed the NMDOT/FHWA Executive Dashboard Metrics report for the second quarter of federal fiscal year 2018. He outlined certain statistics concerning district change orders; claims; inactive projects and

balances; closeout transactions; the federal aid obligation execution rate; STIP obligations; and the Highway Safety Improvement Program (HSIP).

Finance Reports

Monthly Financial Report

Mallery Manzanares, Budget Director, NMDOT, presented the NMDOT operating budget and financial report as of April 30, 2018. The current adjusted budget for Project Design and Construction (P562) is \$835.7 million, \$366.6 million in encumbrances, and \$263.5 million in expenses; Highway Operations (P563), \$246.7 million, \$39.1 million in encumbrances, and \$155.2 million in expenses; Business Operations (P564), \$42.2 million, \$3 million in encumbrances, and \$28.6 million in expenses; Modal (P565), \$64.9 million, \$25.3 million in encumbrances, and \$23.5 million in expenses. Current program vacancy rates are as follows: Project Design and Construction, 30%; Highway Operations, District One, 9.2%, District Two, 17.1%, District Three, 20.4%, District Four, 21.7%, District Five, 12.8%, and District Six 12.5%; Business Operations, 14.3%; and Modal, 4.11%.

Approval of FY19 Operating Budget

Mallery Manzanares, Budget Director, NMDOT, presented and requested approval of NMDOT's FY19 operating budget in the total amount of \$886.4 million, as appropriated by the General Appropriation Act of 2018 (House Bill 2, 2018 Regular Legislative Session) signed by Governor Susana Martinez on March 7, 2018 (Laws 2018, Chapter 73). The \$886.4 million FY 19 operating budget incorporates a \$9.9 million increase from the approved FY18 operating budget, and includes: \$420.1 million in State Road Fund revenues, \$39.1 million in restricted

fund revenues, a \$3.5 million transfer from other State agencies, \$22.3 million in State Road Fund balance and restricted fund balance, and \$401.3 million from federal sources. This represents a \$0.6 million increase to Project Design and Construction (total budget, \$536.7 million); \$1.8 million increase to Highway Operations (total budget, \$235.6 million); \$0.6 million increase to Business Support (total budget, \$42.7 million); and a \$6.9 million increase to Modal (total budget, \$71.3 million). The FY19 operating budget differs from the FY 18 budget in that (1) there is an increase of 3 FTE transfers from the New Mexico Department of Public Safety (DPS) to NMDOT, to help staff the ports of entry; (2) the elimination of a \$6.0 million transfer to the New Mexico Taxation and Revenue Department (TRD); (3) a \$13.1 million increase in State Road Fund revenue; (4) a \$0.6 million increase in restricted fund revenue; and (5) a \$2.0 million transfer from TRD/DPS for the ports of entry initiative.

Chairman Schmeits asked for a motion to approve NMDOT's FY19 Operating Budget; Commissioner Moore made a motion to so approve; Commissioner Mortensen seconded; motion carried unanimously.

New Mexico Finance Authority (NMFA) Monthly Report

Mark Lovato, Investment Manager, NMFA, provided an update regarding NMDOT's investment portfolio funds under NMFA management. As of April 30, 2018, the market value of the portfolio was \$120.8 million, a net increase of \$12.8 million from the previous month. The change is attributed to variable rate debt service payments of \$728,576, no draws, plus interest earnings of \$128,812, a debt service set aside of \$12.9 million, and \$499,264 from swaps receipts. There is 14% in the project account, all of which is in the 2014A Highway Infrastructure Fund (HIF) account, 86% in the debt service accounts, and less than 1% in the

arbitrage rebate account. On April 30, 2018, 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. As of May 4, 2018, the total to exit or unwind the SWAPs was \$65.7 million.

Request Approval of FY19 Local Government Road Fund (LGRF) Program Budget

Clarissa Martinez, Project Oversight Division, NMDOT, presented and requested approval of FY19 LGRF Program budget. She explained that the Local Government Road Fund is a designated State fund administered by NMDOT, which assists local governments to pay for approved local construction and maintenance projects. The State provides 75% of the project funding, which local entities must match at 25%. Ms. Martinez also discussed the proposed FY19 LGRF project list and the specific amounts allocated to each program within the LGRF. The total FY19 LGRF program budget is \$22.2 million.

Chairman Schmeits asked for a motion to approve the FY19 Local Government Road Fund Program budget; Commissioner Mortensen made a motion to so approve; Commissioner Moore seconded; motion carried unanimously.

Request for Approval of \$10.9 Million State Infrastructure Bank (SIB) Loan to Rio Metro Regional Transit District (RMRTD)

David Harris, Transit and Rail Division Director, NMDOT, and Terry Doyle, Director, RMRTD, presented and requested approval of a \$10.9 million SIB loan from NMDOT to RMRTD. The loan is to assist in the implementation of positive train control (PTC) system improvements at highway railroad grade crossings along the New Mexico Rail Runner Express (NMRX) corridor.

Messrs. Harris and Doyle explained that pursuant to NMDOT rule, 2 NMAC 2.40.30.13, *Expenditure of Public Funds - Infrastructure Bank*, the NMDOT Secretary is required (1) to perform an analysis of the loan application to support findings and recommendations for the STC; and (2) to submit the application together with the findings and recommendations to the STC for consideration and approval.

RMRTD estimates the project implementation at \$55 million. The SIB proceeds will be used as the local match funds for the project. The requested loan amount of \$10.9 million will be repaid by FY 2036, using RMRTD Regional Transit Gross Receipts Tax as the source of repayment. RMRTD has agreed to pay \$1,219,238.06 in interest charges to the SIB (1.0% simple interest per year over 18 years) for a total scheduled repayment of \$12,119,238.06 over 18 years.

Chairman Schmeits asked for a motion to approve the \$10.9 million SIB loan to RMRTD; Commissioner Moore made a motion to so approve; Commissioner White seconded; motion carried unanimously.

2018A Bond Transaction Status Update

Marcos B. Trujillo, Project Finance Director, NMDOT, provided a status update regarding the the proposed 2018A bond transaction. He reported that he, Secretary Church and Chairman Schmeits met with two credit rating agencies in New York last week. NMDOT's credit rating is anticipated to remain the same. Even though NMDOT is extending \$220 million of its current debt by three years, 78% of the total principal outstanding will be paid off within the next eight years, which is beneficial to NMDOT.

Request for Approval of FY18 Budget Adjustment Request (BAR) Nos. 12, 13 ,14 and 15

David Harris, Transit and Rail Division Director, NMDOT, and Mallery Martinez, Budget Director, NMDOT, presented and requested approval for FY18 BAR Nos. 12, 13, 14 and 15.

FY18 BAR No. 12 - P565 - Modal, is needed to increase the budget authority (Category 300) in the amount of \$410,200 for the Transit Bureau to be used to update North Central Regional Transit District's Americans with Disabilities Act (ADA) transition plan and continue the design and construction of ADA compliant bus stops. These funds are 100% reimbursable by the federal government.

Chairman Schmeits asked for a motion to approve FY18 BAR No. 12 - P565 - Modal; Commissioner Sepich made a motion to so approve; Commissioner Mortensen seconded; motion carried unanimously.

FY18 BAR No. 13 - P565 - Modal, is required to establish the budget authority (Category 300) in the amount of \$60,000 for the Ports of Entry Bureau to be used to implement an automated system to detect and alert when commercial trucks are intentionally avoiding weight in motion stations by driving in the wrong lane or by crossing borders when the station is closed. The Ports of Entry Bureau received funding in FFY17 from TRD and not all funds were utilized. Therefore, the \$60,000 will come from the remaining fund balance authority.

Chairman Schmeits asked for a motion to approve FY18 BAR No. 13 - P565 - Modal; Commissioner Sepich made a motion to so approve; Commissioner White seconded; motion carried unanimously.

FY18 BAR No. 14 - P565- Modal, is required to establish the budget authority (Category 300) in the amount of \$405,000 for the Ports of Entry Bureau to be used for Intelligent Imaging

Systems. The contract scope includes, design, engineering and installation of two smart roadside inspection systems with weigh in motion at the Texico and Hobbs ports of entry. The Ports of Entry Bureau received funding in FY17 from TRD and not all funds were utilized. Therefore, the \$405,000 will come from the remaining fund balance authority.

Chairman Schmeits asked for a motion to approve FY18 BAR No. 14 - P565 - Modal; Commissioner White made a motion to so approve; Commissioner Mortensen seconded; motion carried unanimously.

FY18 BAR No. 15 - P564 - Business Support, is required to establish the budget authority (Category 500) in the amount of \$10 million for Carlsbad Brine Well remediation efforts. These funds are to be transferred to the New Mexico Energy, Minerals and Natural Resources Department for the continued remediation efforts at the Carlsbad Brine Well. The funds will derive from State Road Fund balance.

Chairman Schmeits asked for a motion to approve FY18 BAR No. 15 - P564 - Business Support; Commissioner Sepich made a motion to so approve; Commissioner Mortensen seconded; motion carried unanimously.

Infrastructure Reports

Request for Ratification of the March 20, 2018, NMDOT - Department of Energy, Carlsbad Field Office (DOE-CBFO) Agreement and Adoption of STC Resolution No. 2018-07 (MAY) Approving Use of a Temporary Negotiated Alternate Southern Waste Isolation Pilot Plant (WIPP) Route

Rick Padilla, P.E., State Maintenance Engineer, NMDOT, and Elizabeth Travis, Deputy General Counsel, NMDOT, presented and requested ratification of the March 20, 2018

agreement between NMDOT and the DOE-CBFO and the adoption of related STC Resolution No. 2018-07 (MAY) approving the use of a temporary negotiated alternate southern WIPP Route. On March 20, 2018, NMDOT and DOE-CBFO agreed that designation of a substitute alternate route was necessary due to the unavailability of the Hobbs Alternate WIPP Route for transportation of transuranic (TRU) waste for delivery to the WIPP facility. The effective closure of the Hobbs Route impacted pending TRU shipments for transport in March and April 2018. To facilitate DOE-CBFO pending shipments, NMDOT agreed to allow the DOE-CBFO to use a temporary alternate route previously approved by the STC, the “Jal Route,” for the TRU shipments to enter the WIPP facility from the south. In the interest of public safety, NMDOT requests the STC’s ratification of this agreement and authorization for DOE-CBFO to use the Jal Route as an alternate to using the designated southern WIPP Route until DOE-CBFO obtains Lea County’s authorization to use the south Hobbs Bypass for TRU shipments to the WIPP Facility, or until December 31, 2018, whichever occurs first.

Elizabeth Travis, Deputy General Counsel, NMDOT, explained that when DOE-CBFO starts to use the route more consistently, it is anticipating two shipments per week for a certain period of time. In the interim, DOE-CBFO may obtain an agreement from Lea County to route shipments through Hobbs by using past STC resolutions for temporary routes that are set to expire at the end of calendar year 2018.

Chairman Schmeits asked for a motion to ratify the March 20, 2018 agreement between NMDOT and DOE-CBFO and adopt related STC Resolution No. 2018-07 (MAY), approving use of a temporary negotiated alternate southern route; Commissioner Moore made a motion to so approve; Commissioner Sepich seconded; motion carried unanimously.

**Request Approval of Final Rulemaking Action to Amend 18.27.2 NMAC, Division 100 -
General Provisions Standard Specifications for Highway and Bridge Construction**

Anthony Lujan, Deputy Secretary, NMDOT, and Armando Armendariz, Design and Construction Division Director, NMDOT, presented and requested approval of final rulemaking action to amend 18.27.2 NMAC (Rule). STC approval of the proposed amended Rule is necessary in order to implement the changes to the Rule. Following the STC's authorization to conclude the rulemaking, NMDOT will file the approved Rule with the New Mexico Commission of Public Records, State Records Center and Archives, for publication in the New Mexico Register. The Rule will thereafter become effective on January 1, 2019.

Chairman Schmeits asked for a motion to approve the request for final rulemaking action to amend 18.27.2 NMAC, Division 100-General Provisions Standard Specifications for Highway and Bridge Construction; Commissioner Sepich made a motion to so approve; Commissioner White seconded; motion carried unanimously.

**Request for Approval of Taos County's Request to Designate an Additional Segment of
NM 578 for the Operation of Recreational Off-Highway Vehicles (ROVs) and Adoption of
Related STC Resolution 2018-08 (MAY)**

Paul Brasher, P.E., Acting District Five Engineer, NMDOT, and Kenneth B. Baca, Chief Deputy General Counsel, NMDOT, presented and requested (1) approval of Taos County's request to designate an additional segment of NM 578 for the operation of ROVs, and (2) adoption of related STC Resolution 2018-08 (MAY). They explained that the County recently submitted a request to designate as a ROV route an additional segment of NM 578 (Designated

Route) that will extend the NM 578 ROV route previously designated by the STC on August 18, 2016 by STC Resolution No. 2016-03 (AUG).

Because certain requirements in Commission Policy 71, *Recreational Off-Highway Vehicles on Paved State Highways* (CP 71), that are necessary to designate a ROV route have not yet been satisfied by the County, STC approval of the County's route designation request and adoption of Commission Resolution No. 2018-08 (MAY) must be contingent upon the following conditions: (1) A final recommendation from NMDOT that ROVs can be operated with reasonable safety on the Designated Route; (2) the NMDOT Office of General Counsel's approval of the final version of Ordinance No. 2017-3 passed and adopted by the County; (3) the County and NMDOT's execution of an agreement by and between the County and NMDOT, which defines the roles and responsibilities for construction and maintenance of Designated Route facilities, including signage, the terms and conditions for ROV operation, and the allocation of legal responsibilities pertaining to the use of ROVs on the Designated Route; and (4) construction and completion of any improvements to the Designated Route, including signage, required by NMDOT for the operation of ROVs, except that the Secretary of NMDOT may authorize use of the designated route utilizing temporary traffic control devices while the remaining contingencies are completed; (5) that all-terrain vehicles (ATVs) shall not be operated upon the designated route; and (6) the County shall be responsible for patrolling the Designated Route and enforcing the provisions of the Off-Highway Motor Vehicle Act and CP 71.

Mr. Brasher emphasized that Ordinance No. 2017-3, passed and adopted by the County, allows the use of ATVs as well as to ROVs "on paved streets owned and controlled by the County," but the STC and NMDOT cannot authorize the use of ATVs on the Designated Route

because it has been determined that ATVs are unsafe for operation on state highways, and CP 71 does not allow such use.

Chairman Schmeits asked for a motion to (1) approve Taos County's request to designate an additional segment of NM 578 for the operation of ROVs, and (2) adopt related STC Resolution 2018-08 (MAY); Commissioner White made a motion to so approve; Commissioner Sepich seconded; motion carried unanimously.

Policy Reports

Annual Report to State Auditor Regarding Regional Transit Districts

David Harris, Transit and Rail Division Director, NMDOT, presented NMDOT's Annual Report to State Auditor regarding Regional Transit Districts. He explained that under the provisions of Commission Policy 90, *Certification of Regional Transit District (RTD)*, and NMSA 1978, Section 73-25-15 (B), the STC is required to file an annual report with the State Auditor concerning the activities of all active Regional Transit Districts. The report details how many districts have been created, describes their boundaries and specifies the regional transit systems that are being provided and how they are being funded. The report will be sent to the State Auditor in August 2018.

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

Stephen Thies, Assistant General Counsel, NMDOT, presented and requested approval of proposed amendments to CP 6. CP 6 is the STC's policy that outlines the Secretary's role and

responsibilities pertaining to operational control of NMDOT. CP 6 has been amended to refine certain language in the policy.

Chairman Schmeits asked for a motion to approve the proposed amendments to CP 6; Commissioner Sepich made a motion to so approve; Commissioner Mortensen seconded; motion carried unanimously.

Request for Approval of the FY19 NMDOT Office of Inspector General (OIG) Audit Plan

Jeff Canney, Inspector General, NMDOT, presented and requested approval of the FY19 NMDOT OIG Audit Plan (Audit Plan). He explained that the Audit Plan provides an efficient allocation of resources to address broad and effective coverage of NMDOT's four programs. The proposed OIG audits were selected based on risk and input from senior NMDOT management and OIG staff. The Audit Plan can be amended as needed throughout the year to reflect changes in areas of risk and priorities as identified by management. In addition to the audits identified in the Audit Plan, OIG will conduct follow-up reviews of previous audits and will assess progress made to remedy findings identified in corrective action plans.

Chairman Schmeits asked for a motion to approve the FY19 OIG Audit Plan; Commissioner Mortensen made a motion to so approve; Commissioner White seconded; motion carried unanimously.

Adjournment

Chairman Schmeits asked for a motion to adjourn the regular meeting at 11:48 a.m.; Commissioner Moore made a motion to so adjourn; Commissioner Mortensen seconded; motion carried unanimously.

Chairman

Ronald Schmeits

Secretary

Kenneth R. White

Tab 4-5

Introductions and Welcoming Remarks

Agenda Items 4-5

Introductions and Welcoming Remarks: Ronald Schmeits,
Chairman

- a.** Elected Officials
- b.** Commission Members
- c.** NMDOT Executive Staff

Tab 6

Public Comment

Commission Brief

SUBJECT: Public Comment

PRESENTER:

BACKGROUND:

ACTION: No Action

Tab 7

**Request for
Approval to
Dedicate a 2.5 Mile
Portion of NM 50 as
the “Representative
Luciano “Lucky”
Varela Memorial
Highway”**

Commission Brief

SUBJECT: Proposed dedication of the 2.5 mile portion of NM 50 from the Santa Fe / San Miguel County Line east to its intersection with NM 63 in the Village of Pecos, as the "Representative Luciano 'Lucky' Varela Memorial Highway" and adoption of related STC Resolution No. 2018-09 (JUL).

PRESENTER: Tom Church, Cabinet Secretary

BACKGROUND: Luciano "Lucky" Varela was a native of the State of New Mexico, born on February 17, 1935.

Luciano "Lucky" Varela was elected to the New Mexico House of Representatives in 1986 and continuously served the people of District 48 in Santa Fe County from 1987 - 2016.

During the 2018 Regular Session of the New Mexico Legislature, the House of Representatives passed House Memorial 71 requesting the State Transportation Commission to name a portion of NM 50 near the Village of Pecos for Representative Luciano "Lucky" Varela.

The proposed dedication designates the 2.5 mile portion of NM 50 from the Santa Fe / San Miguel County Line east to its intersection with NM 63 in the Village of Pecos, as the "Representative Luciano 'Lucky' Varela Memorial Highway", in recognition of Representative Varela's service to the people of Santa Fe and San Miguel Counties and the State of New Mexico.

ACTION: Staff requests the Commission to adopt STC Resolution No. 2018-09 (JUL) dedicating the 2.5 mile portion of NM 50 from the Santa Fe / San Miguel County Line east to its intersection with NM 63 in the Village of Pecos, as the "Representative Luciano 'Lucky' Varela Memorial Highway".

July 19, 2018

STATE OF NEW MEXICO
STATE TRANSPORTATION COMMISSION
RESOLUTION NO. 2018-09 (JUL)

**DEDICATING THE 2.5 MILE PORTION OF NM 50
FROM THE SANTA FE / SAN MIGUEL COUNTY LINE EAST TO
ITS INTERSECTION WITH NM 63 IN THE VILLAGE OF PECOS,
AS THE "REPRESENTATIVE LUCIANO 'LUCKY' VARELA MEMORIAL HIGHWAY"**

WHEREAS, Luciano Amadeo "Lucky" Varela was born in Pecos, New Mexico, on February 17, 1935 to Catalina and Celestino Varela; and

WHEREAS, Luciano "Lucky" Varela was raised in Pecos, graduated from Pecos High School, attended the College of Santa Fe, where he earned a degree in accounting in 1968, and thereafter earned a law degree from LaSalle University in 1974; and

WHEREAS, Luciano "Lucky" Varela joined the United States Army, and served as a corporal from 1957 - 1959, and later served in the United States Army Reserve; and

WHEREAS, following his military service, Luciano "Lucky" Varela worked for the State of New Mexico from 1962 until his retirement from the Department of Finance and Administration in 1986; and

WHEREAS, Luciano "Lucky" Varela was elected to the New Mexico House of Representatives in 1986 and continuously served the people of District 48 in Santa Fe County from 1987 - 2016; and

WHEREAS, during Representative Varela's long and distinguished tenure in the New Mexico Legislature, he served as Chair and Vice Chair of the Legislative Finance Committee, Vice Chair and Deputy Chair of the Appropriations and Finance Committee, Vice Chair of Government and Urban Affairs Committee, Chair of the Information Technology Oversight Committee, and Chair of the Welfare Reform Oversight Committee, and as a member of numerous other standing and interim committees; and

WHEREAS, Representative Varela's dedicated advocacy, expertise in finance and budget matters, and his extensive knowledge of state government earned him the greatest respect from his colleagues in both the House and Senate, on both sides of the aisle; and

WHEREAS, Representative Varela passed away on September 2, 2017; and

WHEREAS, during the 2018 Regular Session of the New Mexico Legislature, the House of Representatives passed House Memorial 71 requesting the State Transportation Commission to name a portion of NM 50 near the Village of Pecos for Representative Luciano "Lucky" Varela; and

WHEREAS, Representative Varela will long be remembered by the citizens of Santa Fe and San Miguel Counties and the State of New Mexico for his decades of public service as a leader in the State House of Representatives, who served with dedication and distinction. It is, therefore, fitting that there be a permanent reminder of his contributions to Santa Fe and San Miguel Counties and the State of New Mexico; and

WHEREAS, the New Mexico State Transportation Commission wishes to create a permanent reminder to honor Representative Varela and to memorialize the contributions that he made while serving the people of Santa Fe and San Miguel Counties and the State of New Mexico; and

NOW, THEREFORE, IT IS RESOLVED THAT THE NEW MEXICO STATE TRANSPORTATION COMMISSION recognizes and honors Representative Luciano “Lucky” Varela for his outstanding service to the people of Santa Fe and San Miguel Counties and the State of New Mexico as a State and local leader; and

BE IT FURTHER RESOLVED that the 2.5 mile portion of NM 50 from the Santa Fe / San Miguel County Line east to its intersection with NM 63 in the Village of Pecos, shall hereafter be known as the "Representative Luciano ‘Lucky’ Varela Memorial Highway”; and

BE IT FURTHER RESOLVED that copies of this Resolution be transmitted to Luciano “Lucky” Varela’s daughter, Bernadette Fernandez, and sons, Jeff and James Varela.

ADOPTED BY THE STATE TRANSPORTATION COMMISSION IN OPEN MEETING ON July 19, 2018.

Ronald Schmeits, Chairman

District 4

Butch Mathews, Vice-Chairman

District 5

Dr. Kenneth White, Secretary

District 1

David Sepich, Commissioner

District 2

Keith Mortensen, Commissioner

District 3

Billy Moore, Commissioner

District 6

Tab 8

District Five Best Practice Presentation

Commission Brief

SUBJECT: District Five Best Practice Presentation

PRESENTER: Anthony Lujan, Deputy Secretary

BACKGROUND: Video

ACTION: No Action

Tab 9

District Four Presentation, Employee Recognition and Best Practice

Commission Brief

SUBJECT: District 4 Presentation

**PRESENTER: David E. Trujillo, P.E.,
District 4 Engineer, NMDOT**

BACKGROUND:

ACTION: No Action



Welcome to District 4
David E. Trujillo, District Engineer

Active Project

I-25 MP 458.9 to MP 460.8	Colfax	Roadway Reconstruction/Rehabilitation/Bridge replacement	\$ 15,150,661
I-25 MP 426.0 to MP 426.1	Colfax	Bridge rehabilitation	\$ 579,676
I-40 MP 262.9 to 269.9	Guadalupe	Roadway rehabilitation and roadway reconstruction	\$ 6,942,429
NM 39 MP 29.7 to MP 30.0	Harding	Bridge replacement and roadway reconstruction	\$ 3,520,682
NM 434 MP 17.2 to MP 19.6	Mora	Roadway widening/Reconstruction/Bridge replacement	\$ 8,229,113
US 54 MP 324.9 to MP 326.3	Quay	Bridge and roadway new construction	\$ 22,037,370
NM 104 MP 63.3 to 63.4 and MP 64.7 to 65.2	San Miguel	Bridge replacement and roadway reconstruction	\$ 4,999,725
NM 104 MP 0.3	San Miguel	Bridge deck repair	\$ 487,907
NM 518 MP 11.6 MP 24.0	San Miguel /Mora	Roadway rehabilitation and reconstruction	\$ 5,970,000
US 64/87 MP 377.2 to MP 384.7	Union	Road rehabilitation	\$ 2,851,984
US 54 MP 339.4 to MP 354.9, and I-25, MP 309.2 to MP 317.5	Various	Guardrail	\$ 1,817,004
US 64 MP 272.2 to MP 344.7	Various	Sign replacement	\$ 296,142
US 54 MP 225 to MP 242.8	Various	Sign replacement	\$ 68,304
US 54 MP 305.6 to 310.0, NM209, MP 64.0 to 82.40	Various	Micro surface - pavement preservation	\$ 1,550,892

Completed Projects

I-25 South Raton Interchange and I-25 MP 45	Colfax	Roadway reconstruction	\$ 10,992,987
Sign Replacement	Colfax	US 56 MP 0.0 to MP 94.3	\$387,627
Roadway Rehabilitation and Reconstruction	Colfax	US 64 MP 305.0 to MP 310.5	\$2,712,664
Fencing (Game Fence) & Signalization	Colfax	I-25 MP 450.2 to MP 455.1	\$3,009,558
Road Rehabilitation	Colfax	I-25 MP 437.7 to MP 422.1	\$1,900,038
Bridge Rehabilitation	Colfax/Mora	I-25 MP 387.9, MP 440.0, MP 450.1	\$1,334,010
Sign Replacement	Colfax/Union	US 64/87 MP 359.9 to MP 390	\$39,872
Guardrail Replacement	Guadalupe	I-40 MP 239 to 373	\$683,755
Roadway Rehabilitation	Guadalupe	I-40 MP 281.00 to MP 286.00	\$4,823,132
Bridge Replacement	Harding	NM 102 MP 3.0 to MP 3.8	\$3,218,736
Crack Sealing Hot Mix Asphalt	Quay	NM 39 MP 0.0 to MP 10.0	\$247,828
Bridge Replacement	Quay	NM 209 MP 70.1 to MP 71.2	\$3,496,092
Bridge repairs - surface treatment - epoxy	Quay	NM 469 MP 41.5	\$229,009
Bridge Rehabilitation	Quay	I-40 MP 346.9	\$877,553
Bridge Rehabilitation	San Miguel	NM 283 MP 1.3 to MP 3.0	\$764,035
Road Rehabilitation	San Miguel	I-25 MP 299 -320	\$1,985,746
Roadway Rehabilitation	San Miguel	I-25 MP 334.0 to MP 338.0	\$4,316,959
Bridge Rehabilitation	Union	NM 456 MP 24.0 to MP 24.5	\$3,068,501
Sign Replacement	Various	I-25 MP 299.1 to MP 460.0	\$334,700
Guardrail Replacement	Various	I-25 MP 299.1 to MP 460.0	\$492,491
Safety	Various	Various Locations in District 4	\$3,522,315

Upcoming Projects

Roadway rehabilitation	Raton North Interchange MP 454.2 to MP 460.8	Colfax	\$18,000,000
Bridge rehabilitation	I-40 MP 274.7 to MP 274.9	Guadalupe	\$900,000
Bridge deck replacement	NM 93 MP 0.10 to MP 0.20	Quay	\$3,349,160
Roadway rehabilitation	US 54 MP 302.5 to MP 304.0	Quay	\$7,400,000
Roadway rehabilitation	I-40 MP 300.0 to MP 308.2	Quay	\$9,000,000
Roadway rehabilitation	Grand Avenue - Las Vegas	San Miguel	\$12,300,000
Bridge rehabilitation	US 64 MP 399.3 to MP 399.6	Union	\$800,000

Contract Maintenance

Cutler	Pavement rehabilitation	Colfax	\$ 235,568
Apache Construction	Fencing	San Miguel	\$ 45,681
Braiser Asphalt	Pavement rehabilitation	San Miguel/Mora	\$ 2,361,910
Intermountain Slurry	Pavement rehabilitation	Quay	\$ 1,654,608
Holly	Process millings	Various	\$ 370,768
Olivas Trucking	Trucking	Various	\$ 30,432

Upcoming Contract Maintenance

Novachip	I-25 MP 402 - MP 411.5	Colfax	\$ 1,800,000
Novachip	NM 518 MP 0 to MP 3.95/MP 24 - MP 28.7	San Miguel	\$ 1,850,000
Cutler	US 54 MP 310 - MP 315	Quay	\$ 2,000,000
Cutler	US 64 MP 349 - MP 352.5	Colfax	\$ 1,500,000

Maintenance Accomplishments

Snow Removal Operations

Pass miles 83,838

Total cost \$984,438

4441	Santa Rosa	2,800
4442	Tucumcari	556
4443	Ragland	119
4444	San Jon	194
4445	Nara Visa	263
4449	Trementina	3,208
4451	Clayton	3,534
4452	Des Moines	4,457
4454	Raton	13,031
4455	Eagle Nest	16,166
4456	Springer	3,416
4457	Roy	2,165
4461	Rowe	6,644
4462	Las Vegas	9,699
4463	La Cueva	10,839
4464	Wagon Mound	5,465
4481	Sealing Crew	1,282

Maintenance Accomplishments

643 pass lane miles



Blade Patching - Chip Seal - Fog Seal Operations
\$2,700,072

2017 Employee of the Year Richard Garcia



2017 Patrol of the Year Wagon Mound Patrol



The background image shows a road construction scene. In the foreground, the rear of a yellow chip seal machine is visible, with its hopper and spreading mechanism. A yellow truck is driving away on the road ahead, which is bordered by a white line. The surrounding area is a hilly, forested landscape. The text is overlaid on this image.

2017 Chip Seal Winners

**Matthew Ulibarri, AMS
John Yara, Staff Manager
Joseph Gonzales, Supervisor**



Best Practice Winners

Wagon Mound Patrol Rowe Patrol



Easy Tire Lift

Locking wheels to prevent movement during dismounting or mounting tire

Cutting edges use weights to counterbalance the tool.
Handles added to safely move the tool.

Tool can be extended to repair the tires on dual axles.

Remount tire — place tire on tool — engage stabilizing bar — the bearing wheels will help you align the lug holes and off set valves.

Lift tire off ground — loosen and remove all but one lug bolt — secure tire with winch and stabilizer handle — dismount tire.

The “Easy Tire Lift” is designed to help reduce shoulder, neck and back injuries.

Wagon Mound Patrol



Guardrail Mounted Signs

A Guardrail Mounted Sign that can easily be mounted on the guardrail.

The guardrail sign stand attaches directly to the guardrail with a clamp system.

Benefits

- Easy to set up
- Compact and easy to carry
- Stable in windy conditions
- Beneficial in narrow roadways

Rowe Mound Patrol

Las Vegas Project Office

2017 Best of New Mexico
Rural Resurfacing
CN 4101040/4101110
NM 518

2017 Project of the Year
Rehabilitation
CN 4100800
I-25





Training For Equipment Excellence



Excellence is an art



won by training and familiarization





We are what we repeatedly do



Excellence, then, is not an act but a habit

2014

2015

2017

PEAT
REPEAT
THREE-PEAT



Mower



Backhoe



Loader



Grader



Traffic Control

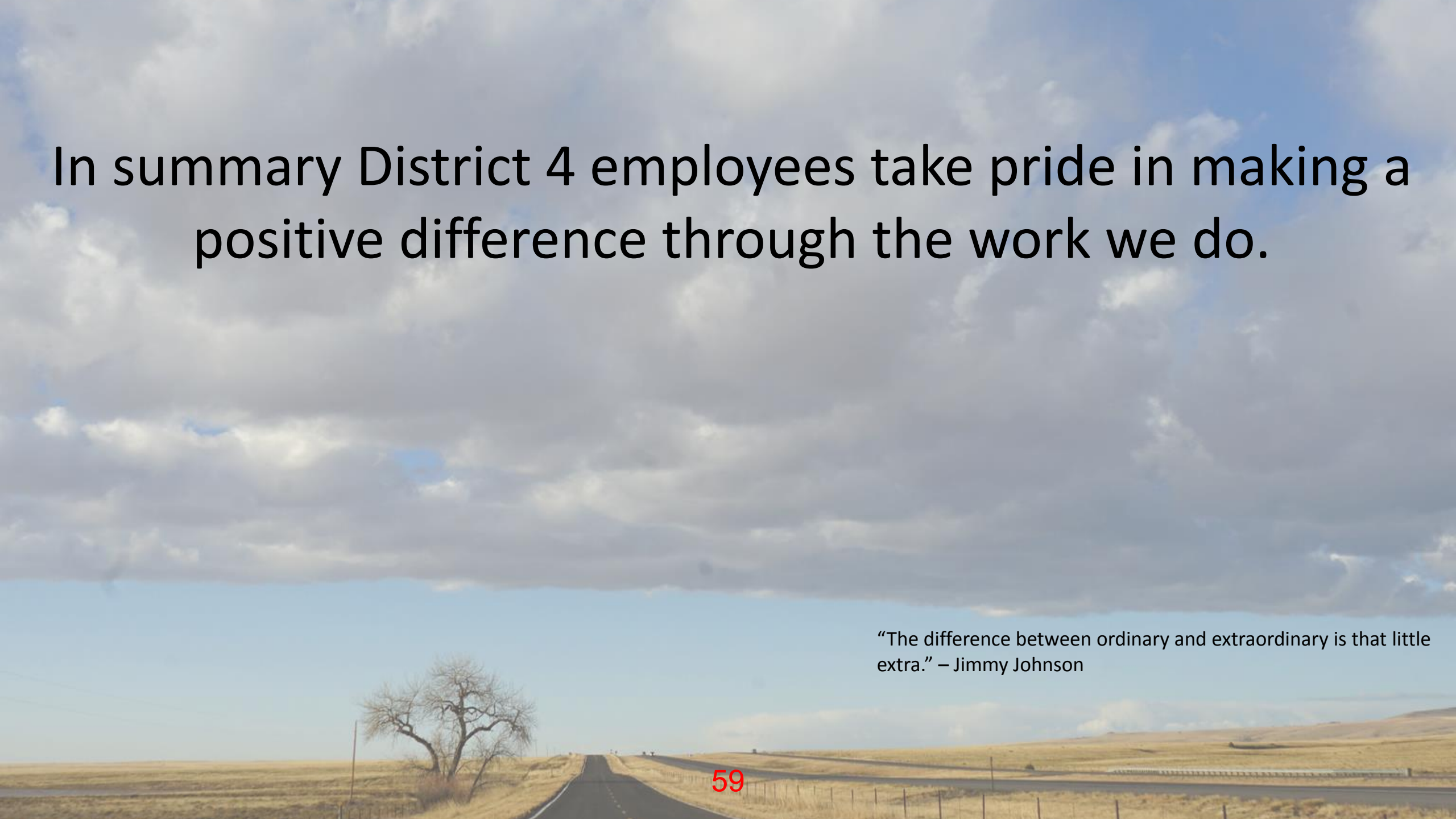


Transport

Ute Park Fire







In summary District 4 employees take pride in making a positive difference through the work we do.

“The difference between ordinary and extraordinary is that little extra.” – Jimmy Johnson

Tab 10

Employee Excellence

Training Award

Winner

Commission Brief

SUBJECT: Employee Excellence Training Award Winner

PRESENTER: Anthony Lujan, Deputy Secretary

BACKGROUND:

ACTION: No Action

Tab 11a

Secretary Report

Commission Brief

SUBJECT: Secretary Report

PRESENTER: Tom Church, Cabinet Secretary, NMDOT

BACKGROUND:

ACTION: No Action

Tab 11b

FHWA Report

Commission Brief

SUBJECT: FHWA Report

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

BACKGROUND:

ACTION: No Action

Tab 12a

Monthly Financial Report

Commission Brief

SUBJECT:

FY18 Operating Budget and Financial Report – July 11, 2018

PRESENTER: Mallery Manzanares, Budget Director

BACKGROUND:

ACTION: No Action

		New Mexico Department of Transportation																	
		Base Budget for FY 2018 - as of 6/30/18																	
		A	B	C	D	E	F	G	H	I	J	K	L	M			O	P	
1		Department	CAT	BR	Class	Original Budget		Budget Adj.	Adj. Budget	Encumbrance		Expense		Remaining			11/12th of Budget		1
2										Dollar	%	Dollar	%	Balance	%		Calculation	O - K	2
3		P562	200	118	B0000	25,468,800		-	25,468,800	-	0%	21,741,274	85%	3,727,526	15%		24,489,231	2,747,957	3
4			300	118	B0000	319,376,100		299,638,604	619,014,704	435,108,046	70%	146,307,276	24%	37,599,382	6%		569,493,528	423,186,252	4
5			400	118	B0000	188,211,800		-	188,211,800	12,812,461	7%	167,939,499	89%	7,459,840	4%		173,154,856	5,215,357	5
6			500	118	B0000	3,000,000		-	3,000,000	-	0%	3,000,000	100%	-	0%		3,000,000	0	6
7						536,056,700		299,638,604	835,695,304	447,920,507	54%	338,988,049	41%	48,786,748	6%		770,137,614	431,149,565	7
8																			8
9		P563	200	118	B0000	104,510,100		-	104,510,100	-	0%	93,796,522	90%	10,713,578	10%		100,490,481	6,693,959	9
10			300	118	B0000	49,772,600		6,300,000	56,072,600	20,458,330	36%	33,611,050	60%	2,003,220	4%		51,586,792	17,975,742	10
11			400	118	B0000	76,512,200		6,600,000	83,112,200	15,378,921	19%	66,676,143	80%	1,057,136	1%		76,463,224	9,787,081	11
12			500	118	B0000	3,000,000		-	3,000,000	-	0%	3,000,000	100%	-	0%		3,000,000	0	12
13						233,794,900		12,900,000	246,694,900	35,837,251	15%	197,083,715	80%	13,773,934	6%		231,540,497	34,456,782	13
14																			14
15		P564	200	118	B0000	24,757,500		-	24,757,500	-	0%	21,361,682	86%	3,395,818	14%		23,805,288	2,443,606	15
16			300	118	B0000	4,458,800		-	4,458,800	558,139	13%	1,662,466	37%	2,238,195	50%		4,102,096	2,439,630	16
17			400	118	B0000	12,949,400		-	12,949,400	911,333	7%	10,823,006	84%	1,215,061	9%		11,913,448	1,090,442	17
18						42,165,700		-	42,165,700	1,469,472	3%	33,847,154	80%	6,849,074	16%		39,820,832	5,973,678	18
19																			19
20		P565	200	118	B0000	5,056,400		-	5,056,400	-	0%	3,726,058	74%	1,330,342	26%		4,861,923	1,135,865	20
21			300	118	B0000	28,629,800		965,000	29,594,800	10,384,868	35%	17,266,370	58%	1,943,562	7%		27,227,216	9,960,846	21
22			400	118	B0000	30,692,100		410,200	31,102,300	18,187,750	58%	10,844,063	35%	2,070,487	7%		28,614,116	17,770,053	22
23						64,378,300		1,375,200	65,753,500	28,572,618	43%	31,836,491	48%	5,344,391	8%		60,703,255	28,866,764	23
24																			24
25					SubTotal	876,395,600		313,913,804	1,190,309,404	513,799,848	43%	601,755,409	51%	74,754,147	6%		1,102,202,199	500,446,789	25
26																			26
27																			27
28																			28
29		Multi-Year FY2017/FY2018 - as of 6/30/18																	29
30		Department	CAT	BR	Class	Original Budget		Budget Adj.	Adj. Budget	Encumbrance		Expense		Remaining					30
31										Dollar	%	Dollar	%	Balance	%				31
32		P562	200	117	B0531	-		-	-	-	0%	-	0%	-	0%				32
33			300	117	B0531	-		338,764,873	338,764,873	142,643,725	42%	158,088,153	47%	38,032,995	11%				33
34			400	117	B0531	-		28,662,257	28,662,257	8,579,832	30%	15,376,717	54%	4,705,708	16%				34
35						-		367,427,130	367,427,130	151,223,557	41%	173,464,870	47%	42,738,703	12%				35
36																			36
37		P563	200	117	B0530	-		-	-	-	0%	-	0%	-	0%				37
38			300	117	B0530	-		14,726,673	14,726,673	195,230	1%	9,901,238	67%	4,630,205	31%				38
39			400	117	B0530	-		10,693,579	10,693,579	365,456	3%	7,796,311	73%	2,531,812	24%				39
40						-		25,420,252	25,420,252	560,686	2%	17,697,549	70%	7,162,017	28%				40
41																			41
42		P565	200	117	B0529	-		-	-	-	0%	-	0%	-	0%				42
43			300	117	B0529	-		11,282,487	11,282,487	1,942,035	17%	4,213,947	37%	5,126,505	45%				43
44			400	117	B0529	-		16,750,703	16,750,703	2,986,284	18%	8,670,650	52%	5,093,769	30%				44
45						-		28,033,190	28,033,190	4,928,319	18%	12,884,597	46%	10,220,274	36%				45
46																			46
47					Subtotal	-		420,880,572	420,880,572	156,712,562		204,047,016	48%	60,120,994	14%				47
48					Total	876,395,600		734,794,376	1,611,189,976	670,512,410		805,802,426	50%	134,875,140	8%				48
49																			49

	A	B	C	D	E		F	G	
1	FY2018 NMDOT Financial Summary as of June 30, 2018								1
2									2
3	UNRESTRICTED STATE ROAD FUND ONLY								3
4	(Dollars in Millions)								4
5									5
6		Begin FY18	+FY18	+FY18	COMBINED		Actual FY 18		6
7		OPBUD	Rollover	BARS	FY18 BUDGET		Rev/Exp	PCT	7
8	Revenues								8
9	CURRENT INFLOWS								9
10	State Funds	\$408.1	\$0.0	\$0.0	\$408.1		\$351.7	86.2%	10
11	FHWA Funding	369.1	288.4	261.9	919.4		371.4	40.4%	11
12	Miscellaneous Revenue	0.0	0.0	0.0	0.0		38.8		12
13	Fund Balance Reserves	\$28.0	\$84.6	\$51.6	\$164.2				13
14	1) TOTAL INFLOWS (REVENUES):	\$805.2	\$373.0	\$313.5	\$1,491.7		\$761.9	51.1%	14
15									15
16	Expenditures								16
17	CURRENT OUTFLOWS:								17
18	Personnel Services	\$157.9	\$0.0	\$0.0	\$157.9		\$144.5	91.5%	18
19	Contractual Services	391.8	360.6	306.9	1,059.3		373.6	35.3%	19
20	Other Operating Costs	95.2	12.4	6.6	114.2		92.6	81.1%	20
21	CAT 500 Transfer Out	6.0	0.0	0.0	6.0		6.0		21
22	Debt Service	\$154.3	\$0.0	\$0.0	\$154.3		\$146.0	94.6%	22
23	2) TOTAL OUTFLOWS - EXPENDITURES:	\$805.2	\$373.0	\$313.5	\$1,491.7		\$762.7	51.1%	23
24									24
25	3) CURRENT INFLOWS MINUS OUTFLOWS (Revenues - Expenditures)						(\$0.8)		25
26	4) PLUS Beginning FY18 FUND BALANCE RESERVES (FY17 less Rebudgeted and RO)						38.0		26
27	5) Adjusted FY18 OPERATING FUND BALANCES						\$37.2		27
28									28
29	CASH POSITION:								29
30	Cash Balance as of 6/30/2018						\$175.9		30

	A	B	C	D	E		F	G	
1	FY2018 NMDOT Financial Summary as of June 30, 2018								1
2									2
3	RESTRICTED FUNDS ONLY								3
4	(Dollars in Millions)								4
5									5
6		Begin FY18	+FY18	+FY18	COMBINED		Actual FY 18		6
7		OPBUD	Rollover	BARS	FY17 BUDGET		Rev/Exp	PCT	7
8									8
9	CURRENT INFLOWS:								9
10	20200 - Highway Infrastructure Fund (Restricted)	\$8.2	\$0.0	\$0.0	\$8.2		\$6.8	82.9%	10
11	Local Gov't Road Fund (Restricted)	22.7	0.0	0.0	22.7		20.3	89.4%	11
12	Aviation Fund (Restricted)	5.4	0.0	0.0	5.4		4.8	88.9%	12
13	Aviation Fund - Federal (Restricted)	0.0	0.0	0.0	-		0.0	0.0%	13
14	Traffic Safety Funds (5 Restricted Funds)	2.6	0.0	0.0	2.6		2.3	88.5%	14
15	NHTSA Funding-(Reimbursement Basis)	15.7	8.1	0.0	23.8		8.5	35.7%	15
16	FTA Funding-(Reimbursement Basis)	16.6	9.8	0.4	26.8		13.2	49.3%	16
17	Highway Infrastructure Fund Reserves	0.0	0.0	0.0	-				17
18	Local Gov't Road Fund Reserves	0.0	21.6	0.0	21.6				18
19	Aviation Fund Balance Reserves	0.0	6.3	0.0	6.3				19
20	Traffic Safety Fund Balance Reserves	0.0	2.1	0.0	2.1				20
21	State Infrastructure Bank Reserves	\$0.0	\$0.0	\$0.0	\$0.0		\$0.2	0.0%	21
22	1) TOTAL INFLOWS (REVENUES):	\$71.2	\$47.9	\$0.4	\$119.5		\$56.1	47.0%	22
23									23
24	CURRENT OUTFLOWS:								24
25	Personnel Services	\$1.9	\$0.0	\$0.0	\$1.9		\$1.2	63.2%	25
26	Contractual Services	10.4	4.1	0.0	14.5		7.3	50.3%	26
27	Other Operating Costs	50.7	43.8	0.4	94.9		33.1	34.9%	27
28	Debt Service	\$8.2	\$0.0	\$0.0	\$8.2		\$7.3	89.0%	28
29	2) TOTAL OUTFLOWS (EXPENDITURES):	\$71.2	\$47.9	\$0.4	\$119.5		\$48.9	40.9%	29
30									30
31	3) CURRENT INFLOWS MINUS OUTFLOWS						\$7.2		31
32	4) PLUS Beginning FY18 FUND BALANCE RESERVES (FY17 less ReBudgeted & RO)						\$32.9		32
33	5) CURRENT FY18 OPERATING FUND BALANCES						\$40.1		33
34									34
35	CASH POSITION:								35
36	Cash Balance as of 6/30/2018						\$57.1		36

CASH BALANCES FOR																			
(Balances based on data from SHARE Trial Balances on June 30, 2018)																			
NMDOT-FUNDS				Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18			
ROAD FUND (10040,20100)	Unrestricted			120,841,048	113,404,182	135,261,863	98,249,717	81,761,954	82,008,939	70,014,205	90,521,570	106,058,744	98,073,585	60,289,689	104,245,865	175,924,725			
LOCAL GOVT (20300)	Restricted			22,164,892	23,535,819	23,679,188	24,330,780	25,550,090	25,524,532	25,669,443	24,199,747	24,864,806	24,087,037	23,147,962	23,188,135	22,142,719			
HIF (20200)	Restricted			1,571,278	1,566,990	1,524,559	1,555,723	1,455,177	1,543,001	1,433,077	1,452,194	1,267,690	1,131,181	827,625	956,491	1,596,486			
SIB (89300)	Restricted			20,387,129	20,241,589	20,349,997	20,366,540	20,366,540	20,401,247	20,401,247	20,411,313	20,411,313	20,430,708	20,430,708	20,474,297	20,474,297			
AVIATION (20500)	Restricted			10,360,900	10,387,904	10,360,382	10,427,671	10,648,835	10,875,574	10,619,348	11,041,705	11,035,309	11,399,922	11,661,893	12,159,235	11,916,292			
TRAFF FUNDS (10020,206,207,208)	Restricted			2,590,673	2,226,690	2,166,546	1,953,480	1,915,931	1,926,853	1,814,059	1,756,036	1,888,222	1,899,518	1,749,721	2,035,060	2,163,046			
NHTSA (10010)	Restricted			(2,313,215)	(1,984,555)	(1,417,506)	(2,885,991)	(2,159,120)	(3,676,752)	(4,261,382)	(1,563,438)	(2,303,559)	(1,280,644)	(1,626,280)	(1,705,253)	(2,751,071)			
FTA (10030)	Restricted			(886,107)	(105,498)	(820,100)	(1,572,814)	(770,530)	(420,188)	(1,460,673)	(1,040,069)	(2,159,016)	(2,251,250)	(2,721,977)	(1,224,211)	(980,969)			
INTERLOCK (82600)	Restricted			2,472,261	2,474,621	2,490,374	2,481,734	2,407,722	2,426,938	2,348,727	2,368,371	2,648,714	2,628,465	2,595,166	2,630,502	2,531,463			
RESTRICTED FUND TOTALS				56,347,811	58,343,561	58,333,440	56,657,122	59,414,646	58,601,207	56,563,845	58,625,859	57,653,480	58,044,938	56,064,818	58,514,256	57,092,263			
TOTAL CASH BALANCES				177,188,859	171,747,742	193,595,304	154,906,839	141,176,600	140,610,145	126,578,051	149,147,429	163,712,224	156,118,523	116,354,507	162,760,121	233,016,988			

FY18 FUND BALANCES AS OF JUNE 30, 2018					
	"Un-Audited"		(Less)		"Projected"
	Fund Balances	(Less)	Encumbrance	(Less)	Unbudgeted
	End FY17	Re-Budgeted in	Rollover-Non-Federal	FY18	Fund Balances
NMDOT-FUNDS	6/30/2017	Begin FY18 Budget	FY17/FY18 Budget	BARS & OPRS	6/30/2018
Unrestricted:					
ROAD FUND (20100)+ INVENTORY (10040)	197,241,432	(27,955,000)	(84,560,321)	(46,725,710)	38,000,401
Restricted Funds:					
LOCAL GOVT (20300)	25,365,677	0	(21,550,859)	0	3,814,818
HIF (20200)	2,815,566	0	0	0	2,815,566
SIB (89300)	20,936,837	0	0	0	20,936,837
AVIATION (20500)	10,862,993	0	(6,313,042)	0	4,549,951
MOTORCYCLE (20600)	157	0	(28,061)	0	(27,904)
DRIVER IMPROVEMENT (10020)	406,304	0	(439,476)	0	(33,172)
DWI PREVENTION (20700)	472,475	0	(452,514)	0	19,961
STATE TRAFFIC SAFETY (20800)	1,369,282	0	(1,125,788)	0	243,494
NHTSA (10010)	(1,219,337)	0	0	0	(1,219,337)
FTA (10030)	(483,786)	0	0	0	(483,786)
INTERLOCK (82600)	2,432,551	0	(177,811)	0	2,254,740
Total Restricted Funds:	62,958,718	0	(30,087,551)	0	32,871,167
TOTAL OPERATING FUND BALANCES	<u>260,200,150</u>	(27,955,000)	(114,647,872)	(46,725,710)	<u>70,871,568</u>

Uncommitted Fund Reserves as of June 30, 2018

UNRESRICTED FUND BALANCES--- Fund 20100-State Road Fund = **\$38,000,401**

(This is the operating fund of the department and used to account for substantially all of the department's financial activities. Created by section 67-3-65, NMSA 1978.)

RESTRICTED FUND BALANCES---- TOTAL= \$38,871,167

Fund 20300-Local Government Road Fund = \$3,814,818

(This fund accounts for construction and reconstruction of highways, streets and parking lots not on the state highway system as well as maintenance, improvements, and construction of school bus routes and public school parking lots and county roads. Created by Section 67-3-28.2 NMSA 1978.)

Fund 20800-State Traffic Safety Fund = \$243,494

(This fund accounts for state matching monies received for various traffic safety programs. Created by Section 66-7-512, NMSA 1978.)

Fund 20500-State Aviation Fund = \$4,549,951

(This fund is used to account for planning, construction and maintenance of a system of airports, navigation aids, and related facilities serving New Mexico. Created by Section 64-1-15, NMSA 1978.)

Fund 10010-Federal Traffic Safety Fund = (\$1,219,337)

(This fund accounts for federal grant monies received for various traffic safety programs from NHTSA.)

Fund 10020 – Driver Improvement Program Fund = (\$33,172)

(Used account for the operation of a driver improvement program. Created by Executive Order 87-20.)

Fund 20700 – DWI Prevention and Education Fund = \$19,961

(This fund is used to account for the operation of DWI prevention and education program for elementary and second school students. Created by Section 66-5-35 NMSA 1978.)

Fund 89300 – State Infrastructure Fund = \$20,936,837

(This fund is used to track funding, loans and repayments associated with the State Infrastructure Bank.)

Fund 20200 – Highway Infrastructure Fund = \$2,815,566

(This fund is used to account for acquisition of right of ways, planning, design, engineering, construction or improvement of state highway projects pursuant to provisions of Laws of 1998, Chapters 84 and 85.). This fund was created by NMSA 67-3-59.2.)

Fund 82600-Interlock Device Fund = \$2,254,740

(This fund is used to account for the fees used to pay for interlock devices for indigent people. (Created by Section 66-8-102.3 NMSA 1978.)

Fund 10030 – Federal Mass Transit Fund = (\$483,786)

(This fund is used to account for Urban Mass Transit Authority grant monies and state matching funds for mass transit program activities.)

Fund 43100- Fund 43100 – WIPP Projects Fund = \$0.00

(This fund is used to account for monies received from the U.S. Department of Energy for special designated roads associated with WIPP.)

Tab 12b

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 19, 2018

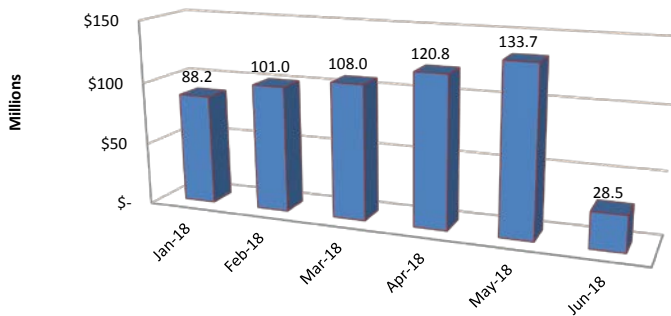
1. NMDOT Combined Investment Summary ending June 30, 2018
 - a. NMDOT Executive Summary Bond Series 2006
 - b. NMDOT Executive Summary Bond Series 2008 & 2011
 - c. NMDOT Executive Summary Bond Series 2010
 - d. NMDOT Executive Summary Bond Series 2012
 - e. NMDOT Executive Summary Bond Series 2014 (HIF)
 - f. NMDOT Executive Summary Bond Series 2014B-1&2
 - g. NMDOT Executive Summary Bond Series 2018
 - h. NMDOT Executive Summary (GRIP 2)
 2. NMDOT Line of Credit (taxable) ending June 30, 2018
 3. NMDOT/NMFA Debt Service outlook to December 15, 2018 payment as of June 30, 2018
-



INVESTMENT OF NM DEPT OF TRANSPORTATION BONDS NMDOT CONSOLIDATED INVESTMENT PORTFOLIO

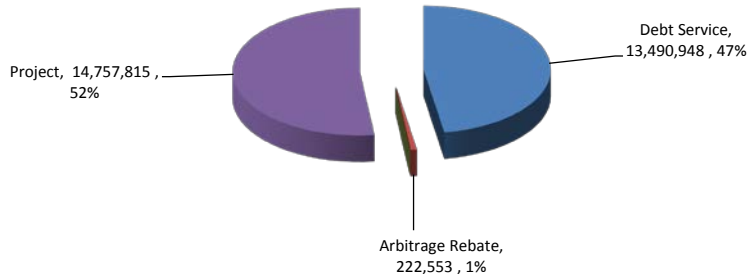
as of June 30, 2018

**NMDOT - Consolidated Investment Portfolio
Market Value**



■ The market value of the NMDOT Investment Portfolio as of June 30, 2018 was \$28.5 million, a net decrease of \$103.2 million from the previous month. The change is attributed to bond debt service payments of \$102.6 million, \$2.1 million in draws, plus interest earnings of \$170,815. We also paid out \$487.7 million from the 2018A bond issue to refund the 2008A,B and 2011 A-1 to 2011A-3 bond series.

NMDOT - Breakdown by Fund



■ As of June 30, 2018 the total NMDOT Portfolio was composed of 52% in the project account (all of which is in the 2014A HIF), 47% in debt service accounts, and less than 1% in the arbitrage rebate account.

NMDOT - Consolidated Investment Portfolio

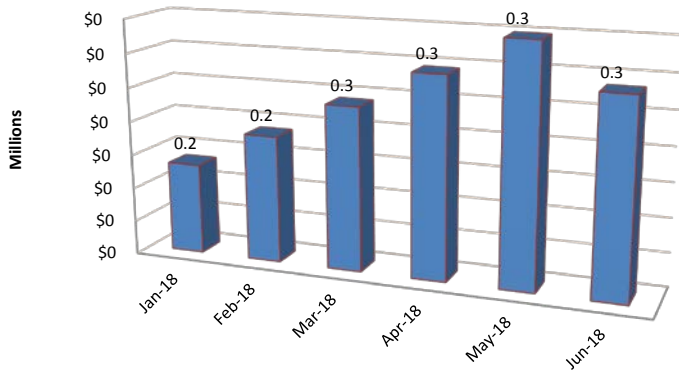
Asset Type	Yield	Market Value	% of Portfolio	Term (days)
US Treasuries	0.00%	-	0.0%	0
US Agencies	0.00%	-	0.0%	0
Invesco US Govt Fund	1.78%	28,471,316	100.0%	1
Primary MM Fund*	0.00%	-	0.0%	0
SLGS	0.00%	-	0.0%	0
TOTAL	1.78%	28,471,316	100%	1

■ The June month end portfolio holdings were 100% in money market mutual funds, and a yield of 1.78%.

INVESTMENT OF NM DEPT OF TRANSPORTATION BONDS NMDOT - SERIES 2006 - TOTAL PORTFOLIO SUMMARY

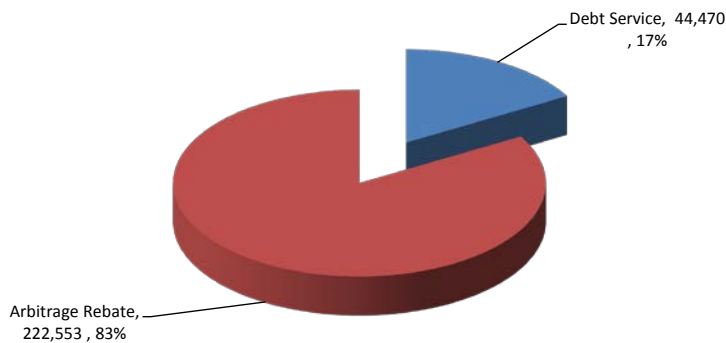
as of June 30, 2018

NMDOT- Series 2006 - Market Value



- The market value of the NMDOT 2006 Bond Series on June 30, 2018 was \$267,023 a decrease of \$12,532 from the previous month. The change was attributed to debt service payments of \$12,906, and interest earnings of \$375.

NMDOT - Series 2006 - Dollar Amount by Fund



- As of June 30, 2018, the portfolio composition was 17% in debt service accounts and 83% in the arbitrage rebate account.

* NOTE : The project funds are 100% committed (Let)

NMDOT - Series 2006 - Portfolio Summary

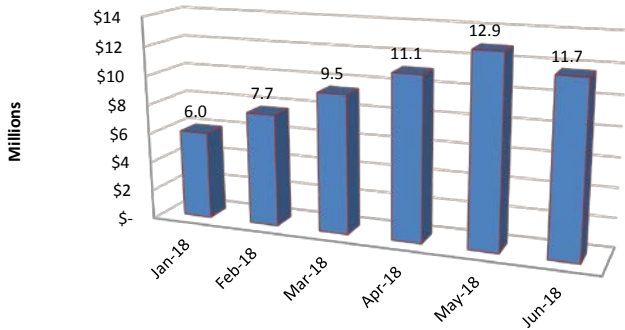
Account	Investment Type	Yield	Prior Yld	Market Value	% of Portfolio
Project	Invesco Govt Fund			-	0.0%
Arbitrage Rebate	InvescoGovt Fund	1.78%	1.66%	222,553	83.3%
Debt Service	Invesco Govt Fund	1.78%	1.66%	44,470	16.7%
BNSF Escrow	US Treasury Bill			-	0.0%
TOTAL		1.78%	1.66%	267,023	100%

- The June month end portfolio holdings were 100% in money market mutual funds and a yield of 1.78%.

INVESTMENT OF NM DEPT OF TRANSPORTATION BONDS NMDOT - SERIES 2008 A-B & 2011 A - TOTAL PORTFOLIO SUMMARY

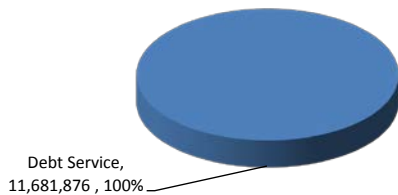
as of June 30, 2018

**NMDOT - Series 2008 A-B & 2011 A- Portfolio Summary
Market Value**



■ The market value of the NMDOT 2008 & 2011 Bond Series on June 30, 2018 was \$11.7 million. The change of \$1.2 million was attributed to debt service payments of \$1.2 million. These bonds were refunded with the 2018A bonds series.

NMDOT - Series 2008 A-B & 2011 A- Dollar Amount by Fund



■ As of June 30, 2018 the portfolio composition was 100% in debt service accounts.

NMDOT - Series 2008 A-B & 2011 A - Portfolio Summary

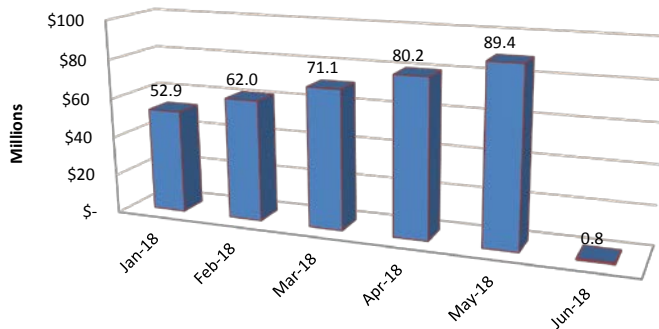
Account	Investment Type	Yield	Prior Yld	Market Value	% of Portfolio
2008 Debt Srv	Invesco Govt Fund	1.78%	1.66%	4,132,961	35.4%
2011 Debt Srv	Invesco Govt Fund	1.78%	1.66%	7,548,915	64.6%
TOTAL		1.78%	1.66%	11,681,876	100%

■ The June month end portfolio holdings were 100% in money market mutual funds and a yield of 1.78%.

INVESTMENT OF NM DEPT OF TRANSPORTATION BONDS NMDOT - SERIES 2010 A & B - TOTAL PORTFOLIO SUMMARY

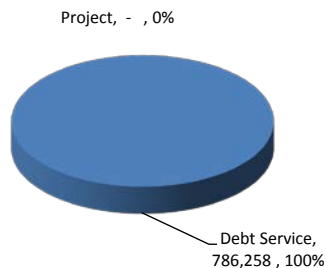
as of June 30, 2018

**NMDOT - Series 2010A & B - Portfolio Summary
Market Value**



■ The market value of the NMDOT 2010A and B Bond Series on June 30, 2018 was \$786,258, the net change of \$88.6 million from the previous month was attributed to interest earnings of \$113,690, debt service payments of \$88.7 million.

NMDOT - Series 2010A & B - Dollar Amount by Fund



■ As of June 30, 2018 the portfolio composition was 100% in debt service accounts and 0% in Project accounts.

NMDOT - Series 2010A & B - Portfolio Summary

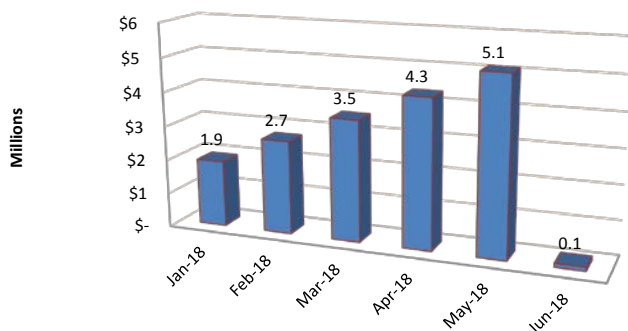
Account	Investment Type	Yield	Prior Yld	Market Value	% of Portfolio
Project	Invesco Govt Fund			-	0.0%
Debt Service	Invesco Govt Fund	1.78%	1.66%	786,258	100.0%
TOTAL		1.78%	1.66%	786,258	100%

■ The June month end portfolio holdings were 100% in money market mutual funds and a yield of 1.78%.

INVESTMENT OF NM DEPT OF TRANSPORTATION BONDS NMDOT - SERIES 2012 - TOTAL PORTFOLIO SUMMARY

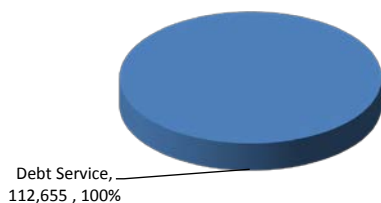
as of June 30, 2018

**NMDOT - Series 2012 - Portfolio Summary
Market Value**



■ The market value of the NMDOT 2012 Bond Series on June 30, 2018 was \$112,655. The net change of \$5 million was due to bond payments of interest earnings of \$6,219, and debt service payments of \$5 million.

NMDOT - Series 2012- Dollar Amount by Fund



■ As of June 30, 2018 the portfolio composition was 100% in debt service accounts.

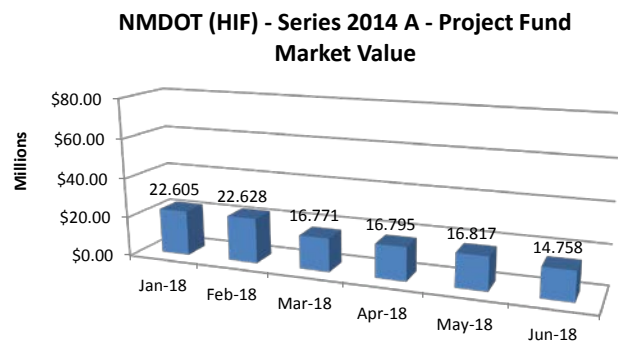
NMDOT - Series 2012 - Portfolio Summary

Account	Investment Type	Yield	Prior Yld	Market Value	% of Portfolio
Debt Service	Invesco Govt Fund	1.78%	1.66%	5,117,018	100.0%
TOTAL		1.78%	1.66%	5,117,018	100%

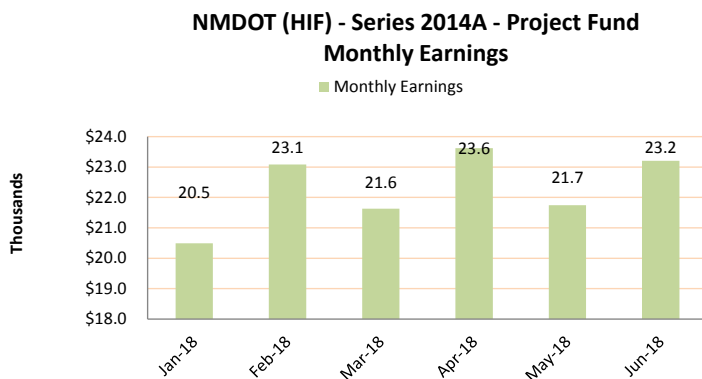
■ The June month end portfolio holdings were 100% in money market mutual funds and a yield of 1.78%.

INVESTMENT OF NM DEPT OF TRANSPORTATION BONDS NMDOT (HIF) - SERIES 2014 A - PROJECT FUNDS

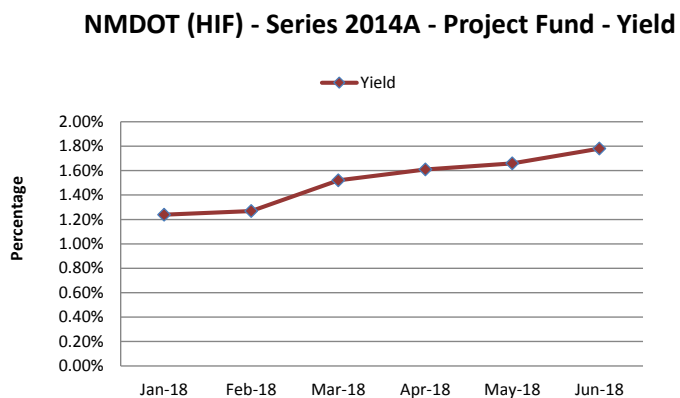
as of June 30, 2018



■ The market value of the NMDOT (HIF) 2014A Bond Series project funds was \$16.8 million on June 30, 2018, the decrease was attributed to interest earnings of \$23,207 and \$2.1 million in draws this month.



■ Interest earnings for the month of June was \$23,207. Total earnings for the fiscal year 2018 is \$247,893.



■ The weighted average yield was 1.78% at month-end, up from 1.66% the previous month.

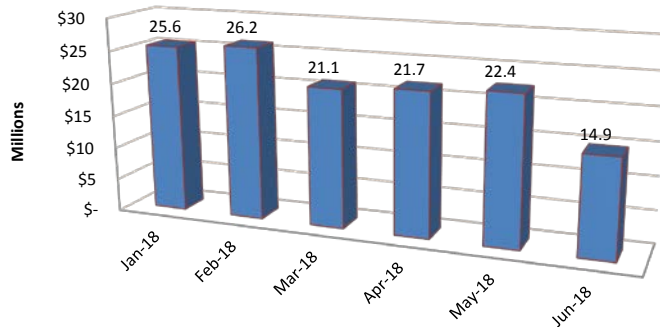
NMDOT(HIF) - Series 2014A - Project Fund					
Asset Type	Yield	Prior Yld	Market Value	% of Portfolio	Policy Max
Invesco Govt Fnd	1.78%	1.66%	16,816,805	100%	100%
TOTAL	1.78%	1.66%	16,816,805	100%	

■ The June month end portfolio holdings were 100% in money market mutual funds and yield of 1.78%.

INVESTMENT OF NM DEPT OF TRANSPORTATION BONDS NMDOT (HIF) - SERIES 2014 A - TOTAL PORTFOLIO SUMMARY

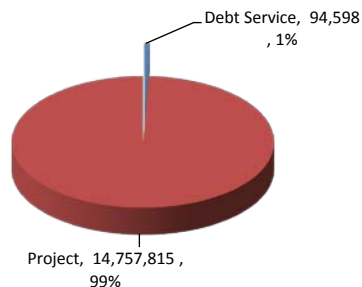
as of June 30, 2018

**NMDOT (HIF) - Series 2014A - Portfolio Summary
Market Value**



■ The market value of the NMDOT(HIF) 2014A Bond Series on June 30, 2018 was \$14.9 million, the decrease of \$7.6 million from the previous month was attributed to interest earnings of \$30,252, debt service payments of \$5.5 million, \$2.1 million in draws.

NMDOT (HIF) - Series 2014A - Dollar Amount by Fund



■ As of June 30, 2018 the portfolio composition was less than 1% in debt service accounts and 99% in Project accounts.

NMDOT (HIF) - Series 2014A - Portfolio Summary

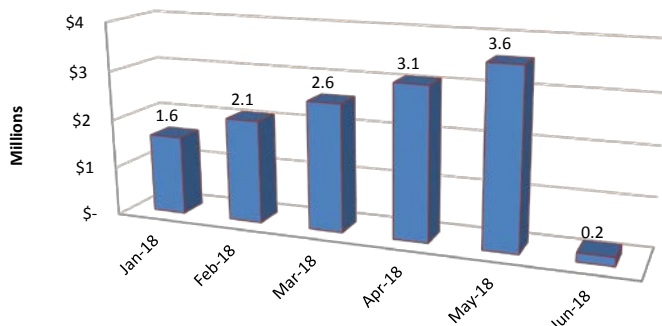
Account	Investment Type	Yield	Prior Yld	Market Value	% of Portfolio
Project	Invesco Govt Fund	1.78%	1.66%	16,816,805	75.0%
Debt Service	Invesco Govt Fund	1.78%	1.66%	5,615,303	25.0%
TOTAL		1.78%	1.66%	22,432,108	100%

■ The June month end portfolio holdings were 100% in money market mutual funds and a yield of 1.78%.

INVESTMENT OF NM DEPT OF TRANSPORTATION BONDS NMDOT - SERIES 2014 B1 & 2 - TOTAL PORTFOLIO SUMMARY

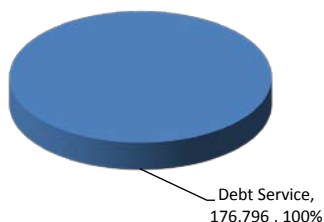
as of June 30, 2018

**NMDOT - Series 2014 B1 & 2 - Portfolio Summary
Market Value**



■ The market value of the NMDOT 2014B-1 and B-2 Bond Series on June 30, 2018 was \$176,796, the change attributed interest earnings of \$4,429, debt service payments of \$3.4 million.

NMDOT - Series 2014 B1 & 2 - Dollar Amount by Fund



■ As of June 30, 2018 the portfolio composition was 100% in debt service accounts .

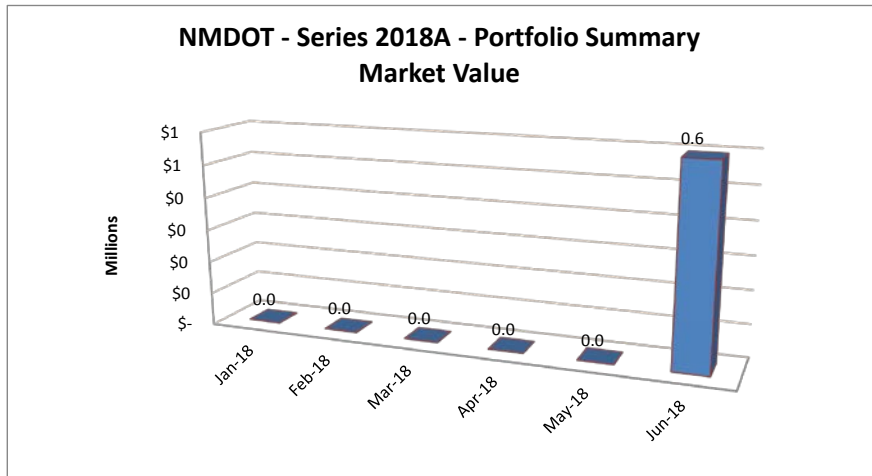
NMDOT - Series 2014 B1 & 2 - Portfolio Summary

<u>Account</u>	<u>Investment Type</u>	<u>Yield</u>	<u>Prior Yld</u>	<u>Market Value</u>	<u>% of Portfolio</u>
Debt Service	Invesco Govt Fund	1.78%	1.66%	3,587,492	100.0%
TOTAL		1.78%	1.66%	3,587,492	100%

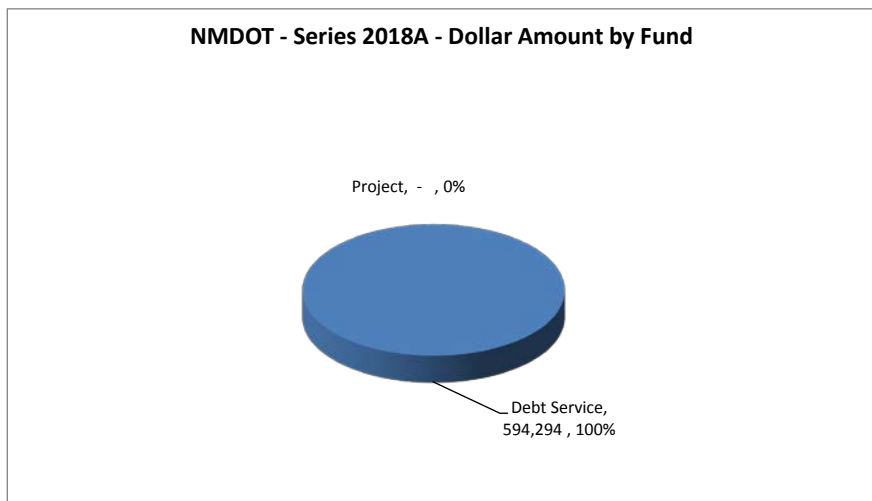
■ The June month end portfolio holdings were 100% in money market mutual funds and yield of 1.78%.

INVESTMENT OF NM DEPT OF TRANSPORTATION BONDS NMDOT - SERIES 2018 A - TOTAL PORTFOLIO SUMMARY

as of June 30, 2018



- The market value of the NMDOT 2018A Bond Series on June 30, 2018 was \$594,294, this is the excess bond proceeds to be applied to debt service and COI funds.



- As of June 30, 2018 the portfolio composition was 100% in debt service accounts.

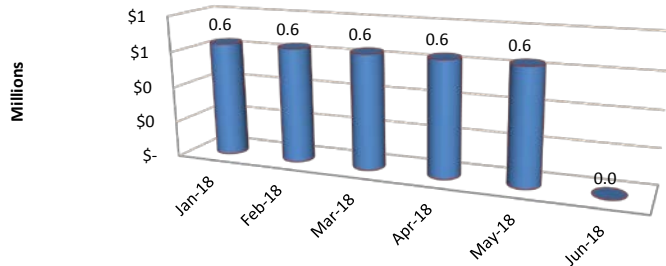
NMDOT - Series 2018A - Portfolio Summary					
Account	Investment Type	Yield	Prior Yld	Market Value	% of Portfolio
Project	Invesco Govt Fund	0.00%		-	0.0%
Debt Service	Invesco Govt Fund	1.78%		594,294	100.0%
TOTAL		1.78%	0.00%	594,294	100%

- The June month end portfolio holdings were 100% in money market mutual funds and a yield of 1.78%.

INVESTMENT OF NM DEPT OF TRANSPORTATION BONDS NMDOT (GRIP 2) - Severance/General Fund Approp - PROJECT FUND

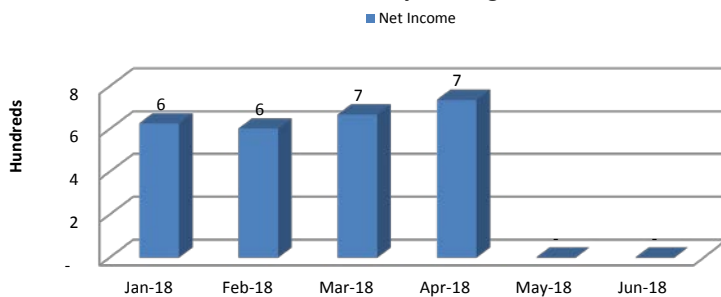
as of June 30, 2018

**NMDOT (GRIP 2) - Series 2007 - Project Fund
Market Value**



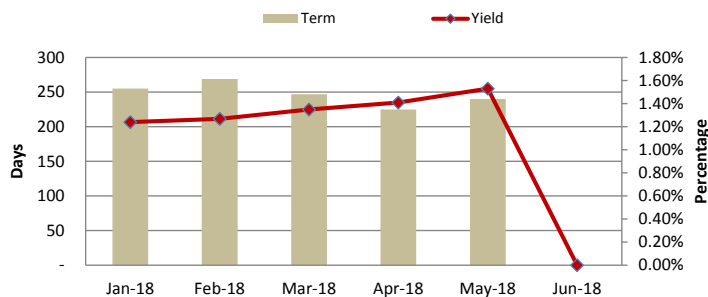
■ The market value of the NMDOT (GRIP2) Severance and General Fund Appropriation project funds was \$0 June 30, 2018. The balance of \$637,835 was rebated back to the state general fund.

**NMDOT (GRIP 2) - Series 2007 - Project Fund
Monthly Earnings**



■ Net Income for the month of June was \$0.

NMDOT (GRIP 2) - Project Fund - Term and Yield



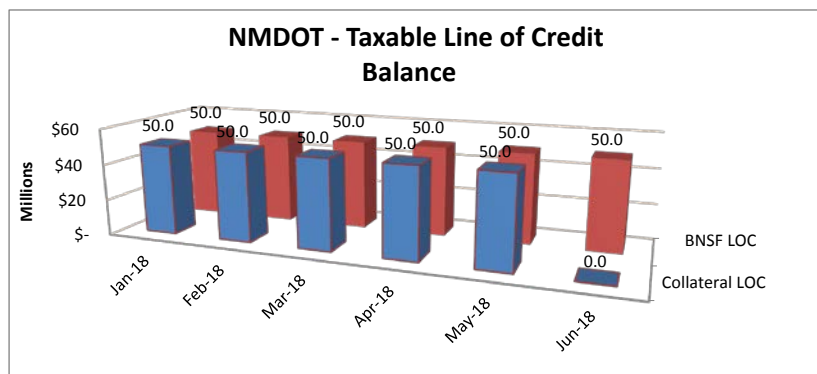
■ The weighted average yield was 0% at month-end.

NMDOT (GRIP 2) - Project Fund					
Investment Type	Yield	Prior Yld	Market Value	% of Portfolio	Policy Max
LGIP*			-	0.0%	25%
NMFA Operating Pool	0.00%	1.53%	-	0.0%	100%
Primary MM Fund*	0.00%	0.00%	-	0.0%	100%
TOTAL	0.00%	1.53%	-	0.00%	

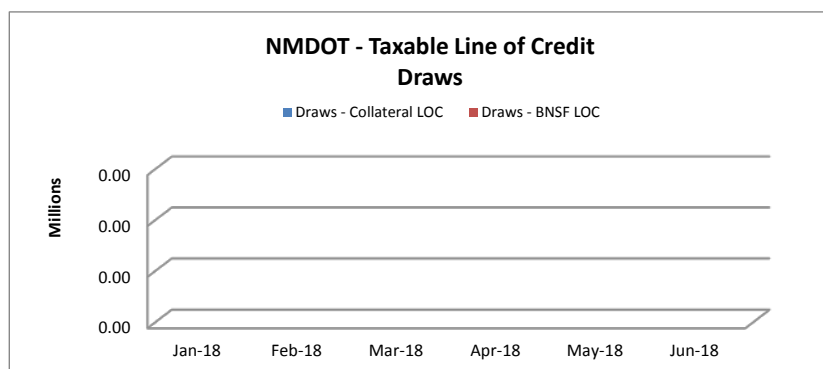
■ The funds were rebated back to the state general fund.

INVESTMENT OF NM DEPT OF TRANSPORTATION BONDS NMDOT - TAXABLE LINES OF CREDIT

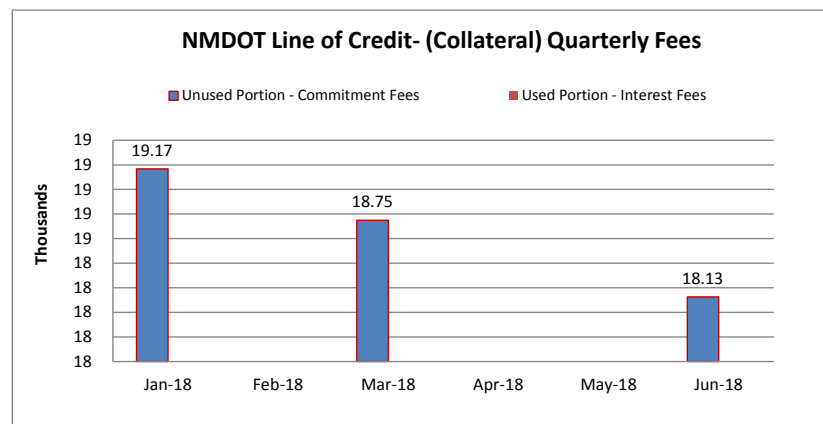
as of June 30, 2018



■ On June 30, 2018, the balance in the Taxable Line of Credit at RBC was \$0 million for collateral needs. The balance in the Taxable Line of Credit at Wells Fargo was \$50 million for the BNSF Escrow account, the collateral LOC was terminated with the issuance of the 2018A bond series and termination of the swaps.



■ During the month of June there was no draws on collateral line of credit, and none on the BNSF LOC. We do not have any collateral posted at this time.



■ There was \$18,125 in commitment fees and no used (interest) fees paid in June the line is now terminated.

Total Fees Paid Since Inception

Unused (commitment Fee) - \$500,856

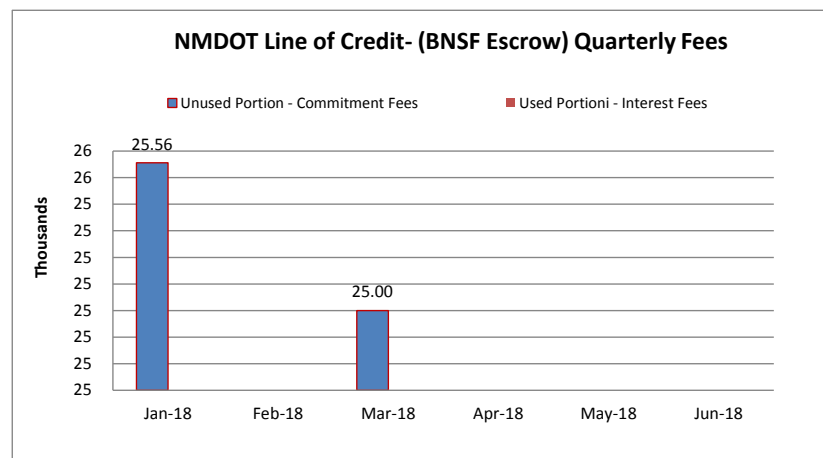
Used (interest cost) - \$753,070

Current LOC agreement is for \$50 million from Royal Bank of Canada with the following terms

Interest Cost (Used Portion) - 1 mo LIBOR plus .53%

Commitment Fee (Unused Portion) - .15%

Expires Dec 31, 2018



■ There was no (commitment) and no used (interest) fees paid in June. The next quarterly fees are due in July.

Total Fees Paid Since Inception

Unused (commitment Fee) - \$441,112

Used (interest cost) -

Current LOC agreement is for \$50 million from Wells Fargo with the following terms

Interest Cost (Used Portion) - 1 mo LIBOR plus .77%

Commitment Fee (Unused Portion) - .20%

Expires June 30, 2019

NMDOT/NMFA OUTSTANDING BOND DEBT SERVICE

For Period: 2st half Fiscal Year 2018

Bond Series	Amount Outstanding as of Dec 31, 2017	Final Maturity Date	Principal Debt Service Due 6/15/2018	Interest Debt Service Due 6/15/2018	Total Debt Service Due 6/15/2018	Debt Service held as of 6/30/2018	Shortage / Overage as of 6/30/2018
Fixed Rate Bonds							
2006 A Sr	650,000	12/15/22		12,906	12,906	44,470	31,563
2010 A-1 Sr	27,230,000	12/15/24		636,300			
2010 A-2 Sub	33,360,000	12/15/21		789,525	1,425,825	45,700	(1,380,125)
2010 B Sr	375,225,000	6/15/24	78,075,000	9,180,625	87,255,625	740,559	(86,515,066)
2012 Sr	169,975,000	6/15/26	1,305,000	3,705,581	5,010,581	112,655	(4,897,926)
2014 A Sub	70,110,000	6/15/32	3,775,000	1,752,750	5,527,750	94,598	(5,433,152)
2014 B-1 Sr	61,380,000	6/15/27		1,534,500	1,534,500	131,961	(1,402,539)
2014 B-2 Sub	18,025,000	6/15/27	1,430,000	450,625	1,880,625	44,835	(1,835,790)
			84,585,000	18,062,813	102,647,813	1,214,778	(101,433,034)
Variable Rate Bonds							
2008 A Sub	35,200,000	6/15/24	35,200,000	4,408,435	39,608,435	1,097,419	(38,511,016)
2008 B Sub	100,000,000	12/15/26	100,000,000	20,022,536	120,022,536	3,035,425	(116,987,111)
FRNs (Fixed Rate Notes with Bank of America)							
2011 A-1 Sub	79,999,500	6/15/24	79,999,500	9,947,018	89,946,518	2,004,491	(87,942,027)
2011 A-2 Sub	119,999,500	12/15/26	119,999,500	22,676,794	142,676,294	3,831,490	(138,844,805)
2011 A-3 Sub	84,799,500	6/15/24	84,799,500	10,708,721	95,508,221	1,712,689	(93,795,532)
			419,998,500	67,763,503	487,762,003	11,681,513	(476,080,490)
Total Fixed and Variable			504,583,500	85,826,316	590,409,816	12,896,291	(577,513,524)
Senior Lien	634,460,000		79,380,000	15,223,138	95,239,438		
Subordinate Lien	541,493,500		425,203,500	69,966,878	495,170,378		
Total	1,175,953,500						
Payments on Dec 15, 2017			12,340,000	28,693,286	41,033,286		
TOTAL Annual DS			516,923,500	114,519,602	631,443,102		

(487,762,003) 2018 A bond Proceeds
143,681,099 **FY 2018 TOTAL DEBT SERVICE**

Notes:

Interest on Variable Rate Bonds is paid out monthly with a monthly receipt from the Swap providers
Interest on the 2008 A is based on the swap rate of 3.934%: does not take into account basis risk (any potential difference between adjustable rate payment to bondholders and payments received from swap providers)
Interest on the 2008 B is based on the swap rate of 5.072% less option of .34% (4.732%): does not take into account basis risk (any potential difference between adjustable rate payment to bondholders and payments received from swap providers)
Interest on the 2011 A-1 is based on the swap rate of 3.934% plus 65 basis points: does not take into account basis risk (any difference between adjustable rate payment to bondholders and payments received from swap providers)
Interest on the 2011 A-2, 2011 A-3 is based on the swap rate of 4.732% plus 65 basis points: does not take into account basis risk (any difference between adjustable rate payment to bondholders and payments received from swap providers)

NMDOT/NMFA OUTSTANDING BOND DEBT SERVICE

For Period: 1st half Fiscal Year 2019

Bond Series	Amount Outstanding as of July 1, 2018	Final Maturity Date	Principal Debt Service Due 12/15/2018	Interest Debt Service Due 12/15/2018	Total Debt Service Due 12/15/2018	Debt Service held as of 06/30/2018	Shortage / Overage as of 06/30/2018
2006 A Sr	650,000	12/15/22	150,000	12,906	162,906	44,470	(118,437)
2008 A Sub	paid off					1,097,419	
2008 B Sub	paid off					3,035,425	
2010 A-1 Sr	27,230,000	12/15/24	1,295,000	636,300	1,931,300	8,474	(1,922,826)
2010 A-2 Sub	33,360,000	12/15/21	7,695,000	789,525	8,484,525	37,226	(8,447,299)
2010 B Sr	297,150,000	6/15/24		7,228,750	7,228,750	740,559	(6,488,191)
2011A-1 Sub	paid off					2,004,491	
2011A-2 Sub	paid off					3,831,490	
2011A-3 Sub	paid off					1,712,689	
2012 Sr	168,670,000	6/15/26		3,697,425	3,697,425	112,655	(3,584,770)
2014 A Sub	66,335,000	6/15/32		1,658,375	1,658,375	94,598	(1,563,777)
2014 B-1 Sr	61,380,000	6/15/27		1,534,500	1,534,500	131,961	(1,402,539)
2014 B-2 Sub	16,595,000	6/15/27		414,875	414,875	44,835	(370,040)
2018 A Sub	420,090,000	6/15/30		9,802,100	9,802,100	594,294	(9,207,806)
	1,091,460,000		9,140,000	25,774,756	34,914,756	13,490,585	(21,424,171)
Senior Lien	555,080,000		1,445,000	13,109,881	14,554,881		
Subordinate Lien	536,380,000		7,695,000	12,664,875	20,359,875		
Total	1,091,460,000						

Tab 12c

Approval of Budget Adjustment Request (BAR) No. 16, Bond Sale

Commission Brief

SUBJECT:

FY18 BAR #16 P562 – PDC

PRESENTER: Mallery Manzanares, Budget Director

BACKGROUND:

An FY18 BAR is required to increase the budget authority in other others (CAT 400) and other financing uses (CAT 500) in the amount of \$489,325,050.

These funds are for the 2018A Series Refunding Revenue Bonds sold on June 27, 2018. The budget authority is needed to properly record the transfers between funds and account for the cost of issuance related to the bond sell.

ACTION: Request BAR Approval

Tab 12d

Approval of FY19

Budget Adjustment

Request (BAR) Nos.

5, 6, and 7

Commission Brief

SUBJECT:

FY19 BAR #5 P563 – HOP

PRESENTER: Anthony Lujan, Deputy Secretary

BACKGROUND:

A FY19 BAR is required to establish budget authority for the Highway Operations program- Districts 1-6. The BAR will increase Category 400 (other costs) by \$12.0 million dollars for maintenance and repairs to the district offices and patrol infrastructure.

ACTION: Request BAR Approval

Commission Brief

SUBJECT:

FY19 BAR #6 P565 – Modal

PRESENTER: Kevin Olinger, Transit Bureau Chief

BACKGROUND:

An FY19 BAR is required to increase the budget authority in Federal grants and services (CAT 400) for the Transit Bureau in the amount of \$3,789,000. These funds will be used by the North Central Regional Transit District (NCRTD) for:

- 1) \$3,600,000 of discretionary Federal Transit Administration (FTA) Section 5339(b) funds for the construction of a new maintenance facility in Española.
- 2) \$189,000 of FTA Section 5307 funds for the continued operation and administration of NCRTD transit routes serving La Cienega and the Santa Fe National Forest, including Ski Santa Fe.

These funds are 100% Federal reimbursable.

ACTION: Request BAR approval

Commission Brief

SUBJECT:

FY19 BAR #7 P565 – Modal

PRESENTER: Mallery Manzanares, Budget Director

BACKGROUND:

An FY19 BAR is required to increase the budget authority in the Ignition Interlock fund (CAT 500) other finance uses for a transfer to the Second Judicial District Attorney in the amount of \$500,000.00. These funds are for a data-driven prosecution pilot program.

These funds were mandated by Laws of 2018, House Bill 2, Section 4- Ignition Interlock Fund Balance.

ACTION: Request BAR approval

Tab 13a
Request for
Approval to Initiate
Rulemaking Action
to Amend 17.4.2
NMAC, New Mexico
Code for Utilities

Commission Brief

SUBJECT: Permission for the Utility Section of the Right of Way Bureau to enter rulemaking.

PRESENTER: Dean Serna, Utility Manager

BACKGROUND: The New Mexico Administration Code for utilities, 17 NMAC 4.2 has not been updated since 2001. It is critical that the NMAC be re-written at this time due to all of the new technologies requesting to install facilities in NMDOT Rights of Way New technologies such as wireless broadband towers for 5G infrastructure and fiber optic lines on a scale not encountered before. It is the best interest of the Department to update the NMAC and occupancy agreements for these unregulated private for profit stakeholders.

ACTION: No Action

Tab 13b

Request for Approval of Final Rulemaking Action Adopting Amendments to 18.27.5 NMAC, Transportation and Highways, Highway Construction General Provisions, Contractor Prequalification Rule

Commission Brief

SUBJECT: Request final rulemaking action, adopting amendments to rule 18.27.5 NMAC, Transportation and Highways, Highway Construction General Provisions, Contractor Prequalification Rule, to be effective January 1, 2019

PRESENTER: Armando Armendariz

BACKGROUND:

Changes and modifications to the NMDOT Transportation and Highways, Highway Construction General Provisions, Contractor Prequalification Rule, which is codified by 18.27.5 NMAC (Rule) are made in order to address clarifications necessary to manage the program. NMDOT last modified the Rule in 2015.

Pursuant to CP4, STC approval of the final Rule is necessary.

NMDOT received feedback and public comment during the comment period.

The NMDOT reviewed the proposed Rule in context with the comments received and made non-substantive edits.

The STC packet includes the following:

- NMDOT final rulemaking report, recommending adoption of the changes;

- **A summary of the comments received and the NMDOT's action on each; and**
- **The Rule, in redline and clean copy versions.**

Additionally, the rulemaking record is available for review on the NMDOT website and NM Sunshine Portal.


ACTION: Staff requests approval of the Rule, to become effective January 1, 2019.



Intra-Departmental Correspondence

Date: June 13, 2018

To: Tom Church
Cabinet Secretary

From: NMDOT Prequalification Team 
Armando M. Armendariz PE, Jeff Canney, Nicole Frankland, Lisa Vega PE,
Justin Gibson PE, Sally Reeves PE, Geraldine Aguilar, Tanya Lewis, Pamela
Gallegos, Stephen Thies Esq.

Subject: Final Rulemaking Report – Amendments to Rule 18.27.5 NMAC, Transportation and Highways, Highway Construction General Provisions, Contractor Prequalification Rule.

On March 16, 2017, the State Transportation Commission (STC) authorized New Mexico Department of Transportation (NMDOT) staff to amend or repeal and replace rule 18.27.5 NMAC, Transportation and Highways, Highway Construction General Provisions, Contractor Prequalification Rule (Rule).

The purpose of the NMDOT's request was to make modifications to the Rule that provide clarifications and minor changes necessary to manage the program. A brief timeline of milestones are listed below:

- STC March 16, 2017
- Workshops August 29 and 30, 2017
- Notice of Proposed Rule (NOPR) January 4, 2018

1. Alamogordo Daily News
2. Albuquerque Journal
3. Carlsbad Current Argus
4. Eastern New Mexico News
5. Farmington Daily Times
6. Gallup Independent
7. Hobbs Daily Record

8. Las Cruces Sun News
9. Las Vegas Optic
10. NM Register
11. NMDOT webpage
12. Roswell Daily
13. Santa Fe New Mexican
14. Silver City Daily Press
15. Sunshine portal

- Hearing February 23, 2018 conducted by Armando M. Armendariz

During the public comment period and hearing written and oral comments were received. A summary of comments including the NMDOT's response is attached.

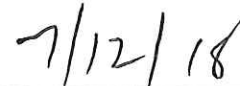
The NMDOT prequalification team respectfully requests that you place on the July 19, 2018 STC agenda in Raton NM, to request that the STC approve the final Rule.

If you have any questions or concerns, please let me know. Thank you.

Approved:



Tom Church
Cabinet Secretary



Date

Attachments:

Comment Summary

Attachment to Transmittal Form, Concise Explanatory Statement for 18.27.5 NMAC, promulgated pursuant to NMSA 1978, Sections 9-5-1, 67-3-8, 67-3-11. Adopted on July 19, 2018.

Entity or Individual Submitting Comment	NMAC Rule Section	Comment	NMDOT Consideration of Comment
Michael Moehn, Fisher Sand & Gravel - New Mexico	18.27.5 Transportation and Highways, Highway Construction General Provisions, Contractor Prequalification Rule.	<p>Claims Factor - Currently the claims factor indicates that claims pursued beyond the Cabinet Secretary level will be used to determine the claim factor. In order for the claim not to count against a Contractor, they must achieve a ruling of 100% of their claim amount in New Mexico District Court. This is not a practical standard.</p> <p>Additionally, the NMDOT has the latitude to negotiate the claim, remand the claim to a claims board or simply reject the claim regardless of merit. Based on these options, the path that a claim takes to get beyond the Secretary level is at the sole discretion of the NMDOT and the current administration. As such, that trigger may be considered arbitrary and capricious. A possible solution would be to change the measurement from achieving 100% of the claim amount in District Court to achieving 100% of the amount offered in any claims board ruling. That would force every claim through a claims board and eliminate the possibility that a claim with merit is simply rejected based on the Departments particular feelings regarding the claim issue.</p>	<p>Comment pertains to 18.27.2 NMAC Division 100, not 18.27.5 NMAC Transportation and Highways, Highway Construction General Provisions, Contractor Prequalification Rule and comment does not provide suggested or modified language to 18.27.5. Comment is addressed to a section of the rule that is not being amended or modified by the current rulemaking action. No notice was provided to the public that the Department would be considering any changes to this section. To make the suggested changes would be inconsistent with the notice and comment requirements.</p>

Comment Summary

Attachment to Transmittal Form, Concise Explanatory Statement for 18.27.5 NMAC, promulgated pursuant to NMSA 1978, Sections 9-5-1, 67-3-8, 67-3-11. Adopted on July 19, 2018.

Entity or Individual Submitting Comment	NMAC Rule Section	Comment	NMDOT Consideration of Comment
Michael Moehn, Fisher Sand & Gravel - New Mexico	18.27.5 Transportation and Highways, Highway Construction General Provisions, Contractor Prequalification Rule.	Disincentive - The variability in the NMDOT specifications regarding items associated with quality creates the inconsistency in the disincentive calculations. In order to achieve a perfect score for quality, the Contractor must not have received any pay disincentives related to quality items, primarily paving items. However, the NMDOT has a number of acceptance scales associated with these items that are dramatically different for the same material. In some instances, it is almost impossible to receive full pay while other identical instances may allow for full pay with a lesser product, simply because of the specification chosen by the NMDOT. Ultimately, the prequalification scoring method doesn't address, specification differences or subsequent specification revisions. Despite not differentiating these parameters, all data is placed in the prequalification calculation. Based on the way NMDOT has previously inconsistently determined which contract specification applies and how these actions ultimately interact with this factor, I do not see a way to eliminate the arbitrary and capricious nature of this calculation. Frankly, the damage associated with this factor has already been done in three years of variable scores.	Comment does not provide suggested or modified language to 18.27.5 NMAC Transportation and Highways, Highway Construction General Provisions, Contractor Prequalification Rule.

Comment Summary

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Entity or Individual Submitting Comment	NMAC Rule Section	Comment	NMDOT Consideration of Comment
Michael Moehn, Fisher Sand & Gravel - New Mexico	18.27.5 Transportation and Highways, Highway Construction General Provisions, Contractor Prequalification Rule.	<p>Non-Conformance - It appears that the NMDOT, through its Division 100 section, has made the determination that there are some non-conformances that are not correctable. However, this should not be the case when determining non-conformance scoring for the prequalification rule. Put plainly, the NMDOT does not audit 100% of the potential automatic non-conformance. This means, there is the very real chance that some non-conformances will go undiscovered, thereby artificially improving an associated score. Additionally, there is the chance that field personnel will simply allow the contractor to correct the issue, even if it is an automatic non-conformance. This latitude given to the Department, as well as the lack of 100% audit on every possible item, is again what may result in the rule being considered both arbitrary and capricious. The only way to address the actions by the NMDOT, in either not catching a non-conformance or allowing a Contractor to correct an error in lieu of issuing a non-conformance, would be to make the measurement of non-conformance to be after an official notification by the NMDOT. Specifically, the trigger would be the written notice from the NMDOT that a potential non-conformance exists and needs to be corrected within the allotted timeframe. As a result, here are no automatic non-conformances as far as this rule is concerned.</p>	<p>The comment pertains to 18.27.2 NMAC Division 100, not 18.27.5 NMAC Transportation and Highways, Highway Construction General Provisions, Contractor Prequalification Rule and the comment does not provide suggested or modified language to 18.27.5. The Department is making no changes or modifications to the definition of a conformance or the value assigned to a non-conformance. No notice was provided to the public that the Department would be considering any changes to this section. To make the suggested changes would be inconsistent with the notice and comment requirements. For purposes of the Prequalification Rule, non-conformances are measured after the project is completed. If a non-conformance is discovered during the project, the contractor is given notice and opportunity to correct. If the contractor fails to address, its failure to comply with the terms of the contract or provide acceptable work when then become a non-conformance that is measured by the prequalification rule. On the other hand, if the contractor corrects the non-conformance within the given time-frame, it is not documented on the compass form and is therefore not considered as a performance factor for purposes of the Prequalification Rule.</p>

Comment Summary

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Entity or Individual Submitting Comment	NMAC Rule Section	Comment	NMDOT Consideration of Comment
Michael Moehn, Fisher Sand & Gravel - New Mexico	18.27.5 Transportation and Highways, Highway Construction General Provisions, Contractor Prequalification Rule.	<p>Subcontractors - This factor has a number of issues. It should be a project measurement not a yearly measurement. By only having one score, it is unfairly weighted for contractors that do multiple contracts with the NMDOT. The NMDOT could correct this specific issue by creating a score by project. The bigger issue is that the NMDOT does not verify that every possible payment made by a contractor is made within the specified time period. As an example, we were issued a notice of late payment on a project a few years back for a payment to one of our subcontractors. Even though we received a notice of late payment, the NMDOT never came back and issued additional notices for the same project and same pay period for our other subcontractors, despite the fact that they were all issued late by specification. That is proof that not every payment is actually checked for timeliness. That lack of accuracy in measure is exactly what could make this measurement arbitrary and capricious. The possible solution would be for the Department to issue a notice when the payment is still outstanding. The Contractor would have 5 days to correct the issue. If not corrected, the issue would result in a violation. Late payments that have already been made would not be subject to a violation if the Department never issued a notice prior to the payment.</p>	<p>First comment relates to 18.27.5.11.H regarding project measurement not yearly measurement. NMDOT rejects suggestion as it is a significant change to the calculation. The existing Rule does measure per project. Second comment relates to notice by the NMDOT to the Contractor providing a 5 Calendar Day timeframe to correct the prompt payment violation to the Subcontractor, at any tier. The NMDOT addresses this comment through the Division 100 revisions. If a contractor adequately addresses a prompt payment issue, it does not become a Pf subcontractor measurement factor under the Rule. Prompt payment provisions are an important race-neutral mechanism that can benefit disadvantaged business enterprise (DBEs) and all other small businesses. Lack of prompt payment constitutes a very real barrier to the ability of DBEs and other small businesses to compete in the marketplace. It is appropriate for the Department to require recipients to take reasonable steps to deal with this barrier.</p>

Comment Summary

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Entity or Individual Submitting Comment	NMAC Rule Section	Comment	NMDOT Consideration of Comment
Michael Moehn, Fisher Sand & Gravel - New Mexico	18.27.5 Transportation and Highways, Highway Construction General Provisions, Contractor Prequalification Rule.	Project Closeout - I believe a New Mexico District Court already determined that the time frame for project closure was arbitrary and capricious. That would serve to nullify the entire rule regardless of what is done with any of the other issues. I do not see that the NMDOT has done anything to address project closeout in the proposed rule.	NMDOT added language to clearly identify the date when Project Closure occurs in 18.27.5.7.R. The comment is incorrect and misstating the ruling of the New Mexico District Court. The Department provided data to the contracting community during its outreach showing that a substantial number of the project are closed-out in a very timely manner. Establishing a hard-date by which is project is automatically considered closed for prequalification purposes does not allow the flexibility to address issues associated with certain projects.

Comment Summary

Attachment to Transmittal Form, Concise Explanatory Statement for 18.27.5 NMAC, promulgated pursuant to NMSA 1978, Sections 9-5-1, 67-3-8, 67-3-11. Adopted on July 19, 2018.

Entity or Individual Submitting Comment	NMAC Rule Section	Comment	NMDOT Consideration of Comment
Jeffery A. Dahl of Holt Mynatt Martinez P.C on behalf of James Hamilton Construction Co.	18.27.5 Transportation and Highways, Highway Construction General Provisions, Contractor Prequalification Rule.	<p>It is the position of James Hamilton Construction Co. that the rule is arbitrary and capricious. It does a disservice to contractors and taxpayers. The Procurement Code of the State of New Mexico provides that contract bids for NMDOT (and other government) projects be awarded to the "lowest responsible bidder". There are already protocols and procedures in place to ensure that a bidder is responsible. No party can bid an NMDOT contract unless they provide the capacity to bond the project. As the size of the project increases, the amount of the bond required increases. Only those bidders that have the capacity to effectively perform the job and provide the requisite bond are allowed to bid on the project. By qualifying who may bid through the requirement of a bond, NMDOT has established whether a party is a responsible bidder. Thereafter, the project, by statute, should be awarded the bid (assuming everything is proper with the bid, i.e. no overbalancing, etc.). The proposed prequalification factor and rule adversely effect the contractor and the taxpayer. The contractor may have the lowest bid, but because another contractor has a more favorable prequalification factor, based on "completing" a project within a relative time period, the contractor with the prequalification factor is awarded the job as the low bidder, due to the construct created by the prequalification factor. In truth, that contractor is not the low bidder and the taxpayer ends up paying more for the bid upon project than if the prequalification factor were not applied.</p>	<p>Comment does not provide suggested or modified language to 18.27.5 NMAC Transportation and Highways, Highway Construction General Provisions, Contractor Prequalification Rule. A contractor with a marginal track record but the same level of financial assets will receive roughly the same bonding capacity, and hence the same opportunity to bid, as another contractor with a record of exemplary performance. This creates a situation in which the transportation department is subsidizing marginal performance, which in turn reduces the incentive for top performers to continue to superior performance. Therefore, a contractor prequalification system that directly rewards good past performance and encourages poor performers to improve can rectify this unintended consequence. Bonding and financial factors are generally considered to be components of an administrative prequalification system. Generally speaking, an administrative prequalification system consists of procedures and accompanying forms and documentation that must be submitted for inclusion on an agency’s approved bidders list. In contrast, the Contractor Prequalification Rule adopted by the Department is a performance-based contractor prequalification system. Performance-based contractor prequalification goes beyond the financial prequalification provided by the surety industry when it issues a bond in conjunction with a public transportation project and includes a contractor’s performance record in the prequalification process. A performance-based contractor prequalification system adds value to the project in terms of reducing performance risk.</p>

Comment Summary

Attachment to Transmittal Form, Concise Explanatory Statement for 18.27.5 NMAC, promulgated pursuant to NMSA 1978, Sections 9-5-1, 67-3-8, 67-3-11. Adopted on July 19, 2018.

Entity or Individual Submitting Comment	NMAC Rule Section	Comment	NMDOT Consideration of Comment
Jeffery A. Dahl of Holt Mynatt Martinez P.C on behalf of James Hamilton Construction Co.	18.27.5 Transportation and Highways, Highway Construction General Provisions, Contractor Prequalification Rule.	An example of this was a recent bid by James Hamilton Construction Co. on a project CN 21011771 in Eddy County. James Hamilton Construction Co. was the low bidder on the project with a bid of \$57,026,277.00 the next lowest bidder was Fisher Sand & Gravel with a bid that was \$1,223,723.00 over the bid of JHCC. Because of the subjective, arbitrary and capricious prequalification factors, Fisher's bid was deemed lower than JHCC's bid and Fisher was awarded the contract. This is because Fisher completed a small signing project of less than \$200,000 in a prior year and was given a prequalification factor of 5% which lowered their bid, on paper only, to an amount lower than JHCC's bid. The application of the prequalification factor denied JHCC the opportunity to proceed as the low bidder and taxpayers will end up paying \$1.2 million dollars more on the project than would have been the case had JHCC's low bid been honored.	Comment does not provide suggested or modified language to 18.27.5 NMAC Transportation and Highways, Highway Construction General Provisions, Contractor Prequalification Rule, NMDOT modified language to 18.27.5.11.D.3 to address measurement for applicable contract items and or smaller value projects. See immediately preceding comments.

Comment Summary

Attachment to Transmittal Form, Concise Explanatory Statement for 18.27.5 NMAC, promulgated pursuant to NMSA 1978, Sections 9-5-1, 67-3-8, 67-3-11. Adopted on July 19, 2018.

Entity or Individual Submitting Comment	NMAC Rule Section	Comment	NMDOT Consideration of Comment
Jeffery A. Dahl of Holt Mynatt Martinez P.C on behalf of James Hamilton Construction Co.	18.27.5 Transportation and Highways, Highway Construction General Provisions, Contractor Prequalification Rule.	Based on the above referenced facts, JHCC filed a bid protest and appeal. The Honorable Raymond Z. Ortiz of the First Judicial District Court found that the Prequalification Factor, as applied in the above facts, was arbitrary and capricious and subjectively applied. Nothing in the proposed rule changes substantively change how the prequalification factor is applied. Obtaining a prequalification factor is still dependent upon "completing" a project for the NMDOT. "Completion" of the project is still placed in the hands of the NMDOT Engineer, who can subjectively determine if a project is complete, or delay certification of completion of a project based on subjective interpretation of contract terms. At the very least, another independent layer of review should be available to a contractor if there is a dispute on whether a project is complete. It should not be left solely to the NMDOT Engineer for determination. Further, there is nothing in the proposed changes to the rule that prevents contractors from obtaining a favorable prequalification factor by working a small job and using that to artificially lower its bid on major projects. In sum, the Prequalification Factor Rule found at 18.27.5 NMAC should be rescinded in its entirety. Projects should be awarded pursuant to the New Mexico Procurement Code to the lowest responsible bidder as has been the rule of law for many years prior to the promulgation of the Prequalification Factor.	NMDOT added language to clearly identify the date when Project Closure occurs in 18.27.5.7.R. NMDOT modified language to 18.27.5.11.D.3 to address measurement for applicable contract items and or smaller value projects.

Comment Summary

Attachment to Transmittal Form, Concise Explanatory Statement for 18.27.5 NMAC, promulgated pursuant to NMSA 1978, Sections 9-5-1, 67-3-8, 67-3-11. Adopted on July 19, 2018.

Entity or Individual Submitting Comment	NMAC Rule Section	Comment	NMDOT Consideration of Comment
Mike Beck Executive Director of Associated Contractors of New Mexico (ACNM) on behalf of ACNM board of directors and members	18.27.5 Transportation and Highways, Highway Construction General Provisions, Contractor Prequalification Rule.	Additionally, in the matter of a recent District Court proceeding (D-101-CV-2017-01024) addressing an Administrative Appeal pursuant to Rule 1-074 NMRA that was filed against award of NMDOT Project CN 2101771, the court found that the "Prequalification Factor was arbitrary and capricious" and "the rule was subjectively applied". ACNM suggests that this court ruling may very well have set a precedent regarding the applicability of the Rule on future bids subject to the NMDOT Prequalification program, particularly with regard to application of a Pqfra to bids submitted. For this reason, we call upon NMDOT during this Rulemaking period to address the impact of this decision on the Rule in the event subsequent court challenges arise whenever a Pqfra is applied to bids that ultimately results in the award of a Contract to a Contractor other than the one submitting the low, responsible bid.	Comment does not provide suggested or modified language to 18.27.5 NMAC Transportation and Highways, Highway Construction General Provisions, Contractor Prequalification Rule, and the comment is incorrect and misstates the ruling of the New Mexico District Court. The ruling of the district court was fact specific, and was not a ruling on the merits of the prequalification rule.

Comment Summary

Attachment to Transmittal Form, Concise Explanatory Statement for 18.27.5 NMAC, promulgated pursuant to NMSA 1978, Sections 9-5-1, 67-3-8, 67-3-11. Adopted on July 19, 2018.

Entity or Individual Submitting Comment	NMAC Rule Section	Comment	NMDOT Consideration of Comment
Mike Beck Executive Director of Associated Contractors of New Mexico (ACNM) on behalf of ACNM board of directors and members	18.27.5.7 Definitions	Subparagraph 18.27.5.7 incorporates additional contract items subject to a specific project with regard to the Performance Factor for Disincentive (Pfd). "Applicable contract items for disincentive are the following sections 401 pavement smoothness measurement, 403 open graded friction course, 403 a warm mix asphalt - open graded friction course, 404 rubberized open graded friction course, 416 minor paving, 417 miscellaneous paving, 423 hot mix asphalt, 424 warm mix asphalt major paving, 450 major port/and cement concrete pavement, 451 minor port/and cement concrete pavement, 456 continuously reinforced concrete pavement, and 901 quality control/quality assurance. " ACNM notes that disincentives are evaluated and assessed differently based upon the type of paving material being used, and that the outcome of any calculated disincentive will vary between the different types of surfaces. This will create a disparity between Bidders who perform differing paving operations (i.e.; asphalt vs. concrete), and will have a significant impact on Contractor's comparative Pfd's, which accounts for 30% of an overall Prequalification score.	Comment does not provide suggested or modified language to 18.27.5 NMAC Transportation and Highways, Highway Construction General Provisions, Contractor Prequalification Rule.

Comment Summary

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Entity or Individual Submitting Comment	NMAC Rule Section	Comment	NMDOT Consideration of Comment
Mike Beck Executive Director of Associated Contractors of New Mexico (ACNM) on behalf of ACNM board of directors and members	18.27.5.7 Definitions	Subparagraph 18.27.5.7L indicates "Pf safety or Pfs means the performance measurement of a contractor's safety reflected by the contractor's experience modifier rate or emr provided by the contractor's bonding company. " As ACNM has previously stated, an EMR does not necessarily provide a true reflection of a Contractor's safety performance, nor does it address the implementation of safety measures being utilized on a particular project. In the past, ACNM has shared input with NMDOT regarding what the contracting community believes would provide a much more accurate picture of the overall safety culture of a Contractor's operations. We respectfully request that NMDOT revisit the recommendations previously offered by ACNM as a means of establishing a Contractor's Pfs, and to consider incorporating these suggestions into this proposed revision.	Comment does not provide suggested or modified language to 18.27.5 NMAC Transportation and Highways, Highway Construction General Provisions, Contractor Prequalification Rule. While ACNM has proffered numerous theories, no formal suggestion has been offered as an alternative to EMR. The Department is making no changes or modifications to the definition of the Pf safety performance-based measurement factor. No notice was provided to the public that the Department would be considering any changes to this section. To make the suggested changes would be inconsistent with the notice and comment requirements.

Comment Summary

Attachment to Transmittal Form, Concise Explanatory Statement for 18.27.5 NMAC, promulgated pursuant to NMSA 1978, Sections 9-5-1, 67-3-8, 67-3-11. Adopted on July 19, 2018.

Entity or Individual Submitting Comment	NMAC Rule Section	Comment	NMDOT Consideration of Comment
Mike Beck Executive Director of Associated Contractors of New Mexico (ACNM) on behalf of ACNM board of directors and members	18.27.5.7 Definitions	Subparagraph 18.27.5.7M addresses the Performance Factor for Subcontractor (Pfsc) and the measurement of a contractor's prompt payment of its subcontractors "at any tier". It is important to note that a Contractor typically does not have control over, nor the ability to control, when a Subcontractor at any tier makes payment to lower tier Subcontractors or Suppliers. ACNM believes it would be improper to assume that a Prime Contractor would or should have this kind of control. Therefore, short of developing a means of evaluating a Subcontractor's activities independently from those of the Contractor, ACNM suggests that the term "at any tier" be stricken from this section.	First comment relates to 18.27.5.11.H regarding project measurement not yearly measurement. NMDOT rejects suggestion as it is a significant change to the calculation. Second comment relates to notice by the NMDOT to the Contractor providing a 5 Calendar Day timeframe to correct the prompt payment violation to the Subcontractor, at any tier. The NMDOT addresses this comment through the Division 100 revisions. Pfsc will be measured using only the contractor's prompt payment to its first tier subcontractors. A prime contractor could still receive a negative Pf non-conformance as a result of a lower tier subcontractor's failure to promptly pay its subcontractor if the prime contractor fails to address the prompt payment violations after receiving notice as provided for in the Division 100 revisions.

Comment Summary

Attachment to Transmittal Form, Concise Explanatory Statement for 18.27.5 NMAC, promulgated pursuant to NMSA 1978, Sections 9-5-1, 67-3-8, 67-3-11. Adopted on July 19, 2018.

Entity or Individual Submitting Comment	NMAC Rule Section	Comment	NMDOT Consideration of Comment
Mike Beck Executive Director of Associated Contractors of New Mexico (ACNM) on behalf of ACNM Procedure board of directors and members	18.27.5.8 Prequalification	Subparagraph 18.27.8B(l) states "Obtaining prequalified status is a condition to submitting a bid. Prime contractors submitting a new prequalification packet or renewal prequalification packet must be approved no later than seven calendar days before the opening of any bid." Further, Subparagraph 18.27.8F stipulates that "Renewal packets shall be submitted no more than 30 calendar days before the expiration date on the document published by the office of inspector general titled prequalified contractors and subcontractors list. " A timeframe in which the Office of Inspector General will require to be able to adequately review and approve a renewal packet is not indicated. ACNM feels that once a Contractor has timely submitted his new or renewal packet as required by the Rule, he may find himself at the mercy of the workload of the Office of Inspector General, which is beyond the Contractor's control. ACNM suggests NMDOT identify a specific timeframe for review, and either approval or rejection, by the Office of Inspector General of a "complete and conforming" new or renewal packet that has been timely submitted in accordance with Sections 18.27.8B(l) and 18.27.8F. This would provide the Contractor a clear expectation regarding the process, and further minimize any concern regarding possible subjectivity in the process. Additionally, we would ask that some accommodation be made for a Contractor, who has timely submitted a new or renewal packet as required, to be eligible to submit a bid in the event timely approval from the Office of Inspector General has not been received seven calendar days before the opening of any bid.	NMDOT has considered the suggestion no timeframe for approval will be provided. NMDOT has no control over the Contractors ability or lack thereof to submit a complete and conforming prequalification packet.

Comment Summary

Attachment to Transmittal Form, Concise Explanatory Statement for 18.27.5 NMAC, promulgated pursuant to NMSA 1978, Sections 9-5-1, 67-3-8, 67-3-11. Adopted on July 19, 2018.

Entity or Individual Submitting Comment	NMAC Rule Section	Comment	NMDOT Consideration of Comment
Mike Beck Executive Director of Associated Contractors of New Mexico (ACNM) on behalf of ACNM board of directors and members	18.27.5.11 Prequalification Calculation	ACNM finds it unclear as to the procedure NMDOT intends to implement for awarding a Performance Factor for Disincentive (Pfd) on projects that do not include a bid item that would be subject to a contract disadvantage (i.e.; a structure project with no associated paving items). In such an instance, ACNM questions whether the Contractor's composite Pqfra would be calculated by including a 0.9 Pfd, or will a score of 1.0 be input as that projects Pfd. This obviously could have a detrimental impact on a Contractor's Pqfra, and could result in a Contractor electing not to submit a bid as it would inflate his eventual Prequalification score, even if all work performed on the Contract would have netted the Contractor a perfect score.	Comment does not provide suggested or modified language to 18.27.5 NMAC Transportation and Highways, Highway Construction General Provisions, Contractor Prequalification Rule.

Comment Summary

Attachment to Transmittal Form, Concise Explanatory Statement for 18.27.5 NMAC, promulgated pursuant to NMSA 1978, Sections 9-5-1, 67-3-8, 67-3-11. Adopted on July 19, 2018.

Entity or Individual Submitting Comment	NMAC Rule Section	Comment	NMDOT Consideration of Comment
Mike Beck Executive Director of Associated Contractors of New Mexico (ACNM) on behalf of ACNM board of directors and members	18.27.5.11 Prequalification Calculation	Subparagraph 18.27.5.1 10(3) states "Pf disincentive resulting in a value of exactly one with paid and accepted applicable contact (sp) items will be assigned a bonus value for Pf disincentive equal to 0.9. " ACNM points out that this provision does not address the issue for a project that does not include "paid and accepted applicable contact (sp) items".	<p>Comment does not provide suggested or modified language to 18.27.5 NMAC Transportation and Highways, Highway Construction General Provisions, Contractor Prequalification Rule. However the NMDOT has addressed the comment by adding language, shown as underlined and deleting language, shown as struck through, to section 18.27.5.11D of the Rule.</p> <p>D. Pf disincentive or Pfd is calculated in the following manner:</p> <p>(1) For each closed project:</p> <p>(a) Sum paid and accepted applicable contract items.</p> <p>(b) Sum of paid and accepted applicable contract items less applicable contract disincentives.</p> <p>(c) Divide the total of Subparagraph (a) by the total of Subparagraph (b) of Paragraph (1) of Subsection D of this Section.</p> <p><u>(d) If Subparagraph (a) is equal to zero of Paragraph (1) of Subsection D of this section Subparagraph (c) of this section will be assigned a value of one.</u></p> <p><u>(e) If the result of Subparagraph (c) of Paragraph (1) of Subsection D of this section is exactly one with paid and accepted applicable contract items Subparagraph (c) of this section will be assigned a value equal to 0.9.</u></p> <p>(2) Sum all closed projects of Subparagraph (c) of Paragraph (1) of Subsection D of this Section in a given year and divide by the count of closed projects resulting in Pfd.</p> <p>(3) Pf disincentive resulting in a value of exactly one with paid and accepted applicable contact items will be assigned a bonus value for Pf disincentive equal to 0.9.</p> <p>(4) Pf disincentive will then be multiplied by the percentage associated with Pf disincentive. The resulting value will be incorporated into Pqfyr.</p> <p>Additionally, the NMDOT clarified the definition for Pf disincentive for paid and accepted applicable contract items.</p> <p>I. Pf disincentive or Pfd means the performance measurement of a contractor’s quality of work related to certain contract items. Applicable contract items for disincentive are the following sections 401 pavement smoothness measurement, 403 open graded friction course, 403 - a warm mix asphalt - open graded friction course, 404 rubberized open graded friction course, 416 minor paving, 417 miscellaneous paving, 423 hot mix asphalt - major paving, 424 warm mix asphalt - major paving, 450 major portland cement concrete pavement, 451 minor portland cement concrete pavement, 456 continuously reinforced concrete pavement, and division 900 quality criteria.</p>

Comment Summary

Attachment to Transmittal Form, Concise Explanatory Statement for 18.27.5 NMAC, promulgated pursuant to NMSA 1978, Sections 9-5-1, 67-3-8, 67-3-11. Adopted on July 19, 2018.

Entity or Individual Submitting Comment	NMAC Rule Section	Comment	NMDOT Consideration of Comment
Mike Beck Executive Director of Associated Contractors of New Mexico (ACNM) on behalf of ACNM board of directors and members	18.27.5.12 Posting, Review and Application of Prequalification Factor	Subparagraph l 8.27.5.12E indicates "A Pqfra may be re-calculated and reposted at times other than the second Friday in January in order to implement the decision of a hearing officer, a court order or a required correction. " ACNM would like to know the anticipated timeframe NMDOT expects for re-calculation of a Pqfra following an order to implement the decision of a hearing officer, a court order or a required correction. We feel it is also critical to ensure that the re-calculation of all newly calculated Pqfra will be accomplished as soon as possible following the rendering of a decision, and that the posting be prior to the next scheduled opening of bids, thus permitting a Bidders re- calculated Pqfra to be applied to bids received for which the Engineers Estimate exceeds \$5 million.	The NMDOT evaluated the suggestion and will not be adding a timeframe that the reposting must occur. The NMDOT is committed to reposting, when needed, as soon as reasonably practicable.

Comment Summary

Attachment to Transmittal Form, Concise Explanatory Statement for 18.27.5 NMAC, promulgated pursuant to NMSA 1978, Sections 9-5-1, 67-3-8, 67-3-11. Adopted on July 19, 2018.

Entity or Individual Submitting Comment	NMAC Rule Section	Comment	NMDOT Consideration of Comment
Mike Beck Executive Director of Associated Contractors of New Mexico (ACNM) on behalf of ACNM board of directors and members	18.27.5.13 Appeal Procedure	Subparagraph 18.27.5.130 states "IO calendar days after receipt of a timely and complete appeal the cabinet secretary shall provide the following: (I) Notice to all parties advising the parties that an informal hearing will be convened and designating a neutral hearing officer or designating themselves as the hearing officer. " We find this statement to be vague and unclear as to who "themselves" is referring to in this instance - would this be the Cabinet Secretary, an individual or individuals from any of the parties, or someone else. ACNM requests that clarification of this statement be provided.	NMDOT agrees to modify as stated: Notice to all parties advising the parties that an informal hearing will be convened and designating a neutral hearing officer or designating the Cabinet Secretary as the hearing officer. Additionally, after review clarified to utilize the current edition of the standard specifications at time of bid.

Comment Summary

Attachment to Transmittal Form, Concise Explanatory Statement for 18.27.5 NMAC, promulgated pursuant to NMSA 1978, Sections 9-5-1, 67-3-8, 67-3-11. Adopted on July 19, 2018.

Entity or Individual Submitting Comment	NMAC Rule Section	Comment	NMDOT Consideration of Comment
Mike Beck Executive Director of Associated Contractors of New Mexico (ACNM) on behalf of ACNM board of directors and members	18.27.5.15 Prequalification for Consolidated Corporations, Merged Corporations, and Joint Ventures	In the case of Consolidated (Subparagraph A) and Merged Corporations (Subparagraph B), surviving corporations "must be prequalified no later than seven calendar days before the opening of any bid. " ACNM reiterates its concern listed in Subparagraph 18.27.8B(1) above that a timeframe in which the Office of Inspector General will require in order to review and approve a properly submitted prequalification packet for a Consolidated Corporation or a Merged Corporation is not indicated. ACNM suggests NMDOT identify a specific timeframe for review, and either approval or rejection, by the Office of Inspector General of a "complete and conforming" prequalification packet for a Consolidated Corporation or a Merged Corporation that has been timely submitted in accordance with Sections 18.27.88(1) and 18.27.8F. This would provide a Consolidated Corporation or a Merged Corporation a clear expectation regarding the process, and further minimize any concern regarding possible subjectivity in the process. Additionally, we would ask that some accommodation be made for a Consolidated Corporation or a Merged Corporation, which has timely submitted a prequalification packet as required, to be eligible to submit a bid in the event timely approval from the Office of Inspector General has not been received seven calendar days before the opening of any bid.	NMDOT has considered the suggestion no timeframe for approval will be provided. NMDOT has no control over the Contractors ability or lack thereof to submit a complete and conforming prequalification packet.

Comment Summary

Attachment to Transmittal Form, Concise Explanatory Statement for 18.27.5 NMAC, promulgated pursuant to NMSA 1978, Sections 9-5-1, 67-3-8, 67-3-11. Adopted on July 19, 2018.

Entity or Individual Submitting Comment	NMAC Rule Section	Comment	NMDOT Consideration of Comment
Mike Beck Executive Director of Associated Contractors of New Mexico (ACNM) on behalf of ACNM board of directors and members	18.27.5.15 Prequalification for Consolidated Corporations, Merged Corporations, and Joint Ventures	<p>Procedures for a Joint Venture (Subparagraph C) require that "each prime contractor participating in the joint venture must be individually prequalified seven calendar days before bid opening to join forces as a joint venture for bidding and performing work related to a single project. " ACNM reiterates its concern listed in Subparagraph 18.27.8B(1) above that a timeframe in which the Office of Inspector General will require in order to review and approve a properly submitted prequalification packet for an individual Prime Contractor participating in a Joint Venture is not indicated.</p> <p>ACNM suggests NMDOT identify a specific timeframe for review, and either approval or rejection, by the Office of Inspector General of a "complete and conforming" prequalification packet for an individual Prime Contractor participating in a Joint Venture that has been timely submitted in accordance with Sections 18.27.8B(l) and 18.27.SF. This would provide a Joint Venture a clear expectation regarding the process, and further minimize any concern regarding possible subjectivity in the process. Additionally, we would ask that some accommodation be made for a Joint Venture, for whom each individual Prime Contractor has timely submitted a prequalification packet as required, to be eligible to submit a bid in the event timely approval from the Office of Inspector General has not been received seven calendar days before the opening of any bid.</p>	<p>NMDOT has considered the suggestion no timeframe for approval will be provided. NMDOT has no control over the Contractors ability or lack thereof to submit a complete and conforming prequalification packet. Additionally, the higher of the parties PQFRA is to be applied to the bid, therefore the NMDOT must know the parties involved in the joint venture.</p>

Comment Summary

Attachment to Transmittal Form, Concise Explanatory Statement for 18.27.5 NMAC, promulgated pursuant to NMSA 1978, Sections 9-5-1, 67-3-8, 67-3-11. Adopted on July 19, 2018.

Entity or Individual Submitting Comment	NMAC Rule Section	Comment	NMDOT Consideration of Comment
Mike Beck Executive Director of Associated Contractors of New Mexico (ACNM) on behalf of ACNM board of directors and members	18.27.5.15 Prequalification for Consolidated Corporations, Merged Corporations, and Joint Ventures	Additionally, Subparagraph C(l) further requires that the "joint venture shall file with the office of inspector general at least seven calendar days before the opening of any bid a completed statement of joint venture form. The most current version of the statement of joint venture form must be obtained from the New Mexico department of transportation website. " A recent search conducted by ACNM on the NMDOT website failed to locate any such "statement of joint venture" form that would be required for submittal by a Joint Venture at least seven calendar days before a bid opening. ACNM respectfully requests that NMDOT make a clear distinction as to the exact location within its website that this required form may be found in order that a Joint Venture is able to timely submit the form as required.	The NMDOT will publish the form upon State Transportation Commission approval of the revisions to 18.27.5 NMAC Transportation and Highways, Highway Construction General Provisions, Contractor Prequalification Rule. http://dot.state.nm.us/content/nmdot/en/prequalification.html

Comment Summary

Attachment to Transmittal Form, Concise Explanatory Statement for 18.27.5 NMAC, promulgated pursuant to NMSA 1978, Sections 9-5-1, 67-3-8, 67-3-11. Adopted on July 19, 2018.

Entity or Individual
Submitting Comment

NMAC Rule Section

Comment

NMDOT Consideration of Comment

This is an amendment to 18.27.5 NMAC, Sections 3, 7, 8, 11, 12, 13 and 15 effective xx/xx/20xx.

18.27.5.3 STATUTORY AUTHORITY: Section 13-1-82 NMSA 1978 (1984, as amended through 2012) and Section 13-1-133 to -134 NMSA 1978 (1984, as amended through 2012) Sections 67-3-2 (2003), 67-3-11 (2003), 67-3-14 (2003), and 67-3-43 (1983) NMSA 1978, 23 USC Section 112(b), 23 CFR Sections 635.110 and 635.114.

[18.27.5.3 NMAC - Rp, 18.27.5.3 NMAC, 1/1/2015; **A, xx/xx/20xx**]

18.27.5.7 DEFINITIONS:

A. This rule adopts the abbreviations, symbols and definitions in the division 100-general provisions of the New Mexico department of transportation current edition of the standard specifications for highway and bridge construction and incorporates the same by reference.

B. CID is the abbreviation of construction industries division.

C. Compass form means the New Mexico department of transportation form generated at project closure that documents certain contractor performance measurement data.

D. Innovative contracting is an alternate form of competitive bidding consistent with federal and state procurement laws that can result in work being awarded to a responsible bidder that may not submit the lowest monetary bid.

E. Modified bid amount means the contractor's bid multiplied by the contractor's prequalification factor rolling average or Pqfra. The modified bid amount will be used solely for determining the apparent lowest responsible bidder. The modified bid amount will not be used for payment.

F. Packet means the current New Mexico department of transportation contractor prequalification application from the office of inspector general.

G. Performance factor or Pf means the numerical quantification of a contractor's past performance on closed projects for certain objectively measureable criteria.

H. Pf claim or Pfc means the performance measurement of a contractor's unsuccessful demand for reconsideration seeking additional compensation or contract time beyond the cabinet secretary administrative remedy level.

I. Pf disincentive or Pfd means the performance measurement of a contractor's quality of work related to certain contract items. Applicable contract items for disincentive are the following sections 401 pavement smoothness measurement, 403 ~~[and]~~ open graded friction course, 403 - a warm mix asphalt - open graded friction course, 404 rubberized open graded friction course, 416 minor paving, 417 miscellaneous paving, 423 hot mix asphalt - ~~[superpave qia and non-qia]~~ major paving, 424 warm mix asphalt ~~[qia and non-qia]~~ - major paving, 450 ~~[and]~~ major portland cement concrete pavement, 451 ~~[qia and non-qia]~~ minor portland cement concrete pavement, 456 continuously reinforced concrete pavement, and 901 quality control/quality assurance.

J. Pf liquidated damages or Pfld means the performance measurement of a contractor's timely completion of the contract.

K. Pf non-conformance or Pfn means the performance measurement of a contractor's compliance with the terms and conditions of the contract.

L. Pf safety or Pfs means the performance measurement of a contractor's safety reflected by the contractor's experience modifier rate or emr provided by the contractor's bonding company.

M. Pf subcontractor or Pfsc means the performance measurement of a contractor's prompt payment of its first tier subcontractors ~~[or suppliers]~~.

N. Pqf rolling average or Pqfra means the final measure of responsibility that is applied to the contractor's bid resulting in the modified bid amount.

O. Prequalification factor year or Pqfyr means the yearly calculation of a contractor's performance factors.

P. Prequalification factor or Pqf means the overall mathematical analysis of the performance factors that measures contractor responsibility. Prequalification factor is abbreviated Pqf.

Q. Prequalification packet means the New Mexico department of transportation form submitted annually.

R. ~~[Responsibility means an objective determination based on past performance by the New Mexico department of transportation of the contractor's capability in all respects to perform fully and make satisfactory delivery the requirements of the contract including the integrity and reliability that will assure good faith performance.]~~ Project closure means completion of the project and occurs on the date that the state construction engineer or New Mexico department of transportation designee signs the compass form.

S. ~~[Rolling average means a calculation to analyze data points by creating a series of averages of different subsets of the full data set.] Responsibility means an objective determination based on past performance by the New Mexico department of transportation of the contractor's capability in all respects to perform fully and make satisfactory delivery the requirements of the contract including the integrity and reliability that will assure good faith performance.~~

T. Rolling average means a calculation to analyze data points by creating a series of averages of different subsets of the full data set.

[18.27.5.7 NMAC - Rp, 18.27.5.7 NMAC, 1/1/2015; A, xx/xx/20xx]

18.27.5.8 PREQUALIFICATION PROCEDURE: The most current version of the prequalification packet to obtain prequalified status ~~[may]~~ must be obtained from the office of inspector general of the New Mexico department of transportation website. Each contractor and subcontractor seeking to become prequalified shall submit the prequalification packet and any supporting information to the New Mexico department of transportation office of inspector general ~~[at the address]~~ as indicated in the prequalification packet. Deadlines are calculated from the date office of inspector general receives the new or renewal packet. Requests for prequalification will not be processed without the submission of a timely, complete and conforming packet. All packets shall contain a complete affidavit, executed under penalty of perjury by an authorized individual, certifying that the information contained in the packet is true and correct. Untimely, incomplete and non-conforming packets will not be processed.

A. Prequalified status will be granted upon the approval of a timely, complete and conforming prequalification packet by the office of inspector general.

B. An untimely, incomplete, or nonconforming packet will result in delays affecting prequalification status and will negatively impact the prime contractor's ability to bid on New Mexico department of transportation projects.

(1) Obtaining prequalified status is a condition to submitting a bid. Prime contractors submitting a new prequalification packet or renewal prequalification packet must ~~[submit it]~~ be approved no later than seven calendar days before the opening of any bid.

(2) Prime contractors submitting a bid without timely obtaining prequalified status shall result in a determination that its bid is non-responsive and the bid shall be rejected.

C. Subcontractors, at any tier, must obtain prequalified status before performing any work ~~[or supplying goods or services to]~~ on the project.

~~[(1) Subcontract packets for subcontractors who fail to obtain prequalified status before performing any work or supplying goods or services to the project shall be rejected.~~

~~[(2)]~~ Work performed ~~[or goods or services supplied]~~ without prequalified status shall be non-compensable.

D. For prime contractors and subcontractors who are currently prequalified by the effective date of this rule the applicant will not need to submit a new prequalification packet until the anniversary date of their last packet.

E. For prime contractors and subcontractors submitting [new] packets, within five calendar days from the receipt of a ~~[new]~~ prequalification packet the office of inspector general will provide notice of receipt of the packet.

(1) If the packet submitted is complete and conforming then the office of inspector general will provide written notice to the applicant of approved prequalified status.

(2) If the packet submitted is incomplete or does not conform to the requirements then the office of inspector general will provide written notice to the applicant that the packet will not be processed until the packet is complete and conforms to the requirements.

(3) The date of the written notice of approved prequalified status shall establish prequalification eligibility for a period of one year. Prequalified status shall automatically terminate if not renewed prior to the expiration date established by the written notice of approved prequalification status.

F. Renewal packets shall be submitted no ~~[later than seven days]~~ more than 30 calendar days before the expiration date on the document published by the office of inspector general titled prequalified contractors and subcontractors list. Prequalified status shall automatically terminate for the failure to submit a timely, complete and conforming renewal packet. Prequalified status shall be re-established upon the approval of a complete and conforming renewal packet.

G. Appeal of the denial of prequalification eligibility based upon the receipt of untimely, incomplete or non-conforming packet shall be submitted in writing to the office of inspector general with supporting

documentation within seven calendar days of the denial of prequalified status. If the appeal is untimely the aggrieved party waives the right to appeal. The inspector general, or designee, will issue a final written decision upholding or reversing the denial of prequalified status within seven calendar days of the receipt of a timely appeal. The inspector general's decision constitutes the final action taken by the office of inspector general related to a denial of prequalified status under this section.

H. Obtaining prequalification status, a performance factor, or a prequalification factor rolling average does not grant a license to do business, a right to bid or to be awarded a contract.

I. In the event a contractor or subcontractor is suspended or debarred, its prequalification status shall immediately and automatically terminate without further notice. In order to obtain renewed prequalification status after a period of suspension or debarment a new complete and conforming prequalification packet must be submitted and approved.

[18.27.5.8 NMAC - Rp, 18.27.5.8, 18.27.5.9, 18.27.5.10, 18.27.5.11, 18.27.5.12 NMAC, 1/1/2015; A, xx/xx/20xx]

18.27.5.11 PREQUALIFICATION CALCULATION: The New Mexico department of transportation will gather prime contractor performance data from each project upon project closure. The data collected will be used to calculate a yearly prequalification factor. The prequalification factor rolling average will be applied to each prequalified prime contractor to evaluate the prime contractor's bid for department projects as indicated in the invitation for bids.

A. The performance factors are claims, disincentives, liquidated damages, non-conformance, safety, and subcontractor.

(1) Pf claim data will be documented on the compass form and will be collected from the New Mexico department of transportation's closed project records.

(2) Pf disincentive data will be documented on the compass form and will be collected from the New Mexico department of transportation's closed project records indicating whether disincentives were assessed on standard specification division for surface treatment and pavements and division for quality criteria items.

(3) Pf liquidated damages data will be documented on the compass form and will be collected from the New Mexico department of transportation's closed project records indicating whether liquidated damages were assessed.

(4) Pf non-conformance data will be documented on the compass form and will be collected from the New Mexico department of transportation's closed project records indicating whether non-conformances were assessed.

(5) Pf safety data will be the contractor's experience modifier rating as reported on its prequalification packet.

(6) Pf subcontractor data will be documented on the compass form and will be collected from the New Mexico department of transportation's construction and civil rights ~~[state construction]~~ bureau records indicating findings for the failure to promptly pay subcontractors ~~[or suppliers]~~ without good cause.

B. The performance factors are assigned percentage values within the yearly prequalification factor calculation.

(1) The percentage associated with claims is ~~[15%]~~ fifteen percent.

(2) The percentage associated with disincentives is ~~[30%]~~ thirty percent.

(3) The percentage associated with the liquidated damages is ~~[30%]~~ thirty percent.

(4) The percentage associated with non-conformances is ~~[10%]~~ ten percent.

(5) The percentage associated with safety is ~~[5%]~~ five percent.

(6) The percentage associated with subcontractor is ~~[10%]~~ ten percent.

C. Pf claim or Pfc is calculated in the following manner:

(1) Claims that are not pursued beyond the cabinet secretary administrative remedy level will not be included in the calculation for Pf claim.

(2) For claims that are pursued beyond the cabinet secretary administrative remedy level a binary system will be used to assign a value of zero or one to evaluate claims.

(a) Claims resolved for the value of the claim or more brought beyond the cabinet secretary level will be assigned a value of zero.

(b) Claims resolved for less than the value of the claim brought beyond the cabinet secretary level will be assigned a value of one.

(3) Pf claim is calculated by adding the number one to the outcome of the sum of the claim value divided by the sum of closed projects.

(4) Pf claim resulting in a value of one will be assigned a bonus value for Pf claim equal to 0.9.

(5) Pf claim will then be multiplied by the percentage associated with Pf claim. The resulting value will be incorporated into Pqfyr.

D. Pf disincentive or Pfd is calculated in the following manner:

(1) For each closed project:

(a) Sum paid and accepted applicable contract items.

(b) Sum of paid and accepted applicable contract items less applicable contract disincentives.

(c) Divide the total of Subparagraph (a) by the total of Subparagraph (b) of

Paragraph (1) of Subsection D of this Section.

(2) Sum all closed projects of [~~Subsection D Paragraph (1) Subparagraph (c)~~] Subparagraph (c) of Paragraph (1) of Subsection D of this Section in a given year and divide by the count of closed projects resulting in Pfd.

(3) Pf disincentive resulting in a value of [~~zero or~~] exactly one with paid and accepted applicable contact items will be assigned a bonus value for Pf disincentive equal to 0.9.

(4) Pf disincentive will then be multiplied by the percentage associated with Pf disincentive. The resulting value will be incorporated into Pqfyr.

E. Pf liquidated damages or Pfld has two separate methods of calculation one for mandatory completion date projects and one for calendar or working day projects:

(1) For mandatory completion date projects liquidated damages equivalence is calculated:

(a) Subtract the mandatory completion date including any awarded time from the notice to proceed date to equate to a whole number.

(b) Subtract the actual completion date from the notice to proceed date to equate to a whole number.

(c) Divide the total of Subparagraph (b) by the total of Subparagraph (a) of Paragraph (1) of Subsection E of this Section.

(d) A resulting value less than or equal to one from Subparagraph (c) of Paragraph (1) of Subsection E of this Section will be assigned a bonus value equal to 0.9.

(2) For calendar or working day projects liquidated damages equivalence is calculated:

(a) Sum of the total days charged.

(b) Sum of the total days contracted.

(c) Divide the total of Subparagraph (a) by Subparagraph (b) of Paragraph (2) of Subsection E of this Section.

(d) A resulting value less than or equal to one from Subparagraph (c) of Paragraph (2) of Subsection E of this Section will be assigned a bonus value equal to 0.9.

(3) Pf liquidated damages for a given year is the calculated from all project liquidated damages. Pf liquidated damages is the sum of liquidated damages equivalence for mandatory completion date, calendar or working day projects divided by the count of closed projects resulting in Pfld.

(4) Pf liquidated damages will then be multiplied by the percentage associated with Pfld. The resulting value will be incorporated into Pqfyr.

F. Pf non-conformance or Pfn is calculated in the following manner:

(1) Sum the number of progress payments per project.

(2) Sum the number of progress payments without non-conformance.

(3) Divide Paragraph (1) by Paragraph (2) of this Subsection.

(4) A resulting value of one for Paragraph (3) of this Subsection will be assigned a bonus value equal to 0.9.

(5) Sum all closed projects of Paragraph (4) of this Subsection in a given year and divide by the count of closed projects resulting in Pfn.

(6) Pf non-conformance for a given year will then be multiplied by the percentage associated with Pfn. The resulting value will be incorporated into Pqfyr.

G. The performance factor for safety or Pfs is the contractor's experience modifier rate supplied annually by the contractor at the time of submission of the prequalification packet.

(1) Pfs for a given year is the numerical value of the contractor's experience modifier rate.

(2) If the experience modifier is equal to or less than one the Pfs is assigned a value of 0.9.

- (3) The experience modifier rate is multiplied by the percentage associated with Pfs. The resulting value will be incorporated into Pqfyr.
- H.** Pf subcontractor or Pfsc is calculated in the following manner:
- (1) Negative findings against the prime contractor per project will result in a value of one per finding.
- (2) Pfsc for a given year is the sum of all negative findings in the year.
- (3) Zero findings on all closed projects within the year will receive a bonus of Pf subcontractor equal to 0.9.
- (4) The sum of Pfsc for a given year is multiplied by the percentage associated with Pfsc. The resulting value will be incorporated into Pqfyr.
- I.** The contractor's yearly performance factor is the sum of the individual performance factors multiplied by their associated percentages.
- J.** The equation is $Pqfyr = Pfc * [15\%] \text{ fifteen percent} + Pfd * [30\%] \text{ thirty percent} + Pfld * [30\%] \text{ thirty percent} + Pfn * [10\%] \text{ ten percent} + Pfs * [5\%] \text{ five percent} + Pfsc * [10\%] \text{ ten percent}$.
- K.** In the absence of data for any given year a contractor's Pqfyr will be assigned a value of one.
- L.** For joint ventures the higher value of all joint venture applicant's Pqfra will be used for the modified bid amount.
- M.** The contractor's prequalification factor rolling average will be denoted as Pqfra.
- (1) The Pqfra will be calculated through the use of a rolling average covering a period of three years. Each rolling average year will be assigned a weighting factor and will be multiplied by the appropriate weighting factor starting with the most recent year.
- (2) The most recent year, denoted as Pqfyr 1, will be multiplied by the weighting factor of 0.9.
- (3) The preceding year, denoted as Pqfyr 2, will be multiplied by the weighting factor of 0.6.
- (4) The preceding year, denoted as Pqfyr 3, will be multiplied by the weighting factor of 0.3.
- (5) The sum of Pqfyr 1 through Pqfyr 3, is multiplied by their appropriate weighting factors and then divided by the sum of all weighting factors to result in the contractor's overall Pqfra.
- N.** The equation for $Pqfra = (Pqfyr 1 * 0.9 + Pqfyr 2 * 0.6 + Pqfyr 3 * 0.3) / (0.9 + 0.6 + 0.3)$.
- O.** All equations and calculations whether interim or final will be rounded to the thousandths place.
- [18.27.5.11 NMAC - N, 1/1/2015; A, xx/xx/20xx]

18.27.5.12 POSTING, REVIEW AND APPLICATION OF PREQUALIFICATION FACTOR: The following procedures will apply to the posting, review and application of the prequalification factor:

- A.** The Pqfra will be calculated once a year on projects closed between January first and December thirty-first of the previous year.
- B.** The Pqfra will be posted on the office of inspector general list titled prequalified contractors and subcontractors list by the second Friday in January.
- C.** The Pqfra will be applied to a prime contractor's bid(s) beginning with the March bid opening until superseded by an updated Pqfra.
- D.** The Pqfra will be used to determine the modified bid amount.
- E.** A Pqfra may be re-calculated and reposted at times other than the second Friday in January in order to implement the decision of a hearing officer, a court order or a required correction.

[18.27.5.12 NMAC - N, 1/1/2015; A, xx/xx/20xx]

18.27.5.13 APPEAL PROCEDURE: In the event of the appeal of a contractor's prequalification factor the following procedures shall apply:

- A.** Only a contractor disputing their own prequalification factor shall have the right to appeal their factor to the New Mexico department of transportation under this section.
- B.** To be considered an appeal must conform in timing, form and service to all requirements in this section or the appeal shall be rejected.
- C.** A contractor disputing only the misapplication of its prequalification factor to their bid shall file the appeal according to the bidding dispute resolution procedures in the division 100-general provisions of the New Mexico department of transportation current edition of the standard specifications for highway and bridge construction [bidding dispute resolution procedures].
- D.** A contractor disputing only the calculation of its prequalification factor shall file its appeal within seven calendar days of the publication of their prequalification factor.

E. The appeal filed must conform to the requirements below and contain the following information:

- (1) The appeal shall be in writing.
- (2) Appeals made by electronic mail shall not be considered.
- (3) The appeal shall clearly and concisely state the party's right to appeal, the grounds for appeal, the requested relief, and contain relevant laws, rules, regulations and documents to support the appeal.
 - (a) Sufficient copies of cited laws, rules, regulations, or documentary evidence shall be included with the appeal.
 - (b) Supporting documentary evidence not submitted at the time of filing the appeal shall be submitted no later than five calendar days before the hearing.
- (4) The documents submitted in the appeal process shall not be considered confidential and will be subject to the Inspection of Public Records Act, Sections 14-2-1 to 14-2-12 NMSA 1978 (1993, as amended through 2011).

F. Service of the appeal shall occur as follows:

- (1) A contractor disputing its prequalification factor shall serve the appeal upon the New Mexico department of transportation's cabinet secretary. The contractor shall contemporaneously provide a copy of the appeal to the office of the general counsel and the office of inspector general at the respective address for each.
- (2) Service upon the cabinet secretary must be made either in person, by certified mail return receipt requested, or by delivery by a nationally recognized courier.
- (3) Service must be made during regular business hours.
- (4) Service made outside of regular business hours will be considered effective the next business day.

G. 10 calendar days after receipt of a timely and complete appeal the cabinet secretary shall provide the following:

- (1) Notice to all parties advising the parties that an informal hearing will be convened and designating a neutral hearing officer or designating [himself] the cabinet secretary themselves as the hearing officer.
- (2) Within seven calendar days of the cabinet secretary's designation the hearing officer will provide a notice to all parties of hearing with the date, time and location of the hearing. The notice of hearing will be provided no later than seven calendar days before the chosen hearing date for the informal hearing.

H. The formal rules of civil procedure, formal discovery processes, and the formal rules of evidence shall not apply to the informal hearing.

- (1) Any party to the appeal may choose to have legal counsel present.
- (2) The hearing officer has the authority to determine the degree of formality of the hearing.
- (3) The hearing officer has the authority to determine the total time allotted for the informal hearing and how the time will be apportioned between the parties.

I. The hearing officer shall be responsible for maintaining a record of the evidence and proceedings.

- (1) The hearing officer will weigh the credibility of the evidence provided by both parties.
- (2) The hearing officer may use any reliable information, no matter the source, in arriving at a determination.
- (3) If the hearing officer uses information in the determination not provided by either party then the hearing officer will allow a reasonable amount of time for rebuttal from either party.

J. The hearing officer shall issue a decision regarding the appeal within seven calendar days of the hearing unless otherwise extended by the hearing officer in writing, no extension shall exceed 21 calendar days from the hearing.

- (1) The hearing officer's decision will constitute the final department action on the appeal.
- (2) No further action on the appeal may be taken by the either party if the hearing officer's decision is accepted by both parties.
- (3) If [the appealing] either party does not fully accept the hearing officer's decision then [the appealing] that party may proceed with [litigation] an appeal in state district court by filing the appropriate pleadings.

K. Record of the appeal through the hearing officer's decision will be maintained by the office of inspector general for seven years after the date of the informal hearing.

L. For bidding purposes and during the period of appeal the contractor's previous prequalification factor will apply.

[18.27.5.13 NMAC - N, 1/1/2015; A, xx/xx/20xx]

18.27.5.15 [PREQUALIFICATION FOR CONSOLIDATED COMPANIES, JOINT VENTURES AND OTHER SPECIAL BUSINESS FORMATIONS: The following prequalification packet procedure and Pqfra will apply to consolidated companies, consolidated companies related by common ownership and joint ventures:

A. For consolidated companies not related by common ownership and the parent company is not included in the consolidation each subsidiary within the consolidated company must be individually prequalified seven calendar days before a notice to proceed will be issued for the project. The Pqfra scores of the subsidiaries survive the merger or consolidation and the highest Pqfra of the subsidiaries joined by consolidation will be used for the modified bid amount.

B. For consolidated companies related by common ownership each subsidiary and parent company in the merger or consolidated company must be individually prequalified before a notice to proceed will be issued for the project. The Pqfra scores of the subsidiaries survive the merger or consolidation and the highest Pqfra of the subsidiaries or parent company joined by consolidation will be used for the modified bid amount.

C. Each prime contractor participating in the joint venture must be individually prequalified seven days before bid opening to join forces as a joint venture for bidding and performing work related to a single project. The joint venture itself need not prequalify.

(1) In addition to being individually prequalified each prime contractor participating in the joint venture shall file with the office of inspector general statement of joint venture.

(2) For joint ventures the higher value of all joint venture applicant's Pqfra will be used for the modified bid amount.] **PREQUALIFICATION FOR CONSOLIDATED CORPORATIONS, MERGED CORPORATIONS, AND JOINT VENTURES:** The following prequalification packet procedure and Pqfra will apply to consolidated corporations, merged corporations and joint ventures:

A. For a consolidated corporation pursuant to Subsection A of 54-1A-303 NMSA 1978, or a similar statutory provision, the new corporation must be prequalified no later than seven calendar days before the opening of any bid.

B. For a merged corporation pursuant to Subsection A of 54-1A-303 NMSA 1978, or a similar statutory provision, the surviving corporation must be prequalified no later than seven calendar days before the opening of any bid. The Pqfra score of the surviving corporation will be the highest Pqfra of the individual corporations who merged and will be used for the modified bid amount.

C. Each prime contractor participating in the joint venture must be individually prequalified seven calendar days before bid opening to join forces as a joint venture for bidding and performing work related to a single project. The joint venture itself need not prequalify.

(1) The joint venture shall file with the office of inspector general at least seven calendar days before the opening of any bid a completed statement of joint venture form. The most current version of the statement of joint venture form must be obtained from the New Mexico department of transportation website.

(2) For joint ventures the higher value of all joint venture applicant's Pqfra will be used for the modified bid amount.

(3) Each prime contractor participating in the joint venture will receive a compass form for the project to be used in calculating the prime contractor's individual prequalification factor.

[18.27.5.15 NMAC - Rp, 18.27.5.15, 1/1/2015; A, xx/xx/20xx]

TITLE 18 TRANSPORTATION AND HIGHWAYS
CHAPTER 27 HIGHWAY CONSTRUCTION GENERAL PROVISIONS
PART 5 CONTRACTOR PREQUALIFICATION RULE

18.27.5.1 ISSUING AGENCY: The New Mexico Department of Transportation, PO Box 1149, Santa Fe, New Mexico, 87504-1149.

[18.27.5.1 NMAC - Rp, 18.27.5.1 NMAC, 1/1/2015]

18.27.5.2 SCOPE: This rule applies to the New Mexico department of transportation construction projects and to all contractors and subcontractors seeking or anticipating the performance of work within the project limits.

[18.27.5.2 NMAC - Rp, 18.27.5.2 NMAC, 1/1/2015]

18.27.5.3 STATUTORY AUTHORITY: Section 13-1-82 NMSA 1978 (1984, as amended through 2012) and Section 13-1-133 to -134 NMSA 1978 (1984, as amended through 2012) Sections 67-3-2 (2003), 67-3-11 (2003), 67-3-14 (2003), and 67-3-43 (1983) NMSA 1978, 23 USC Section 112(b), 23 CFR Sections 635.110 and 635.114.

[18.27.5.3 NMAC - Rp, 18.27.5.3 NMAC, 1/1/2015; A, xx/xx/20xx]

18.27.5.4 DURATION: Permanent.

[18.27.5.4 NMAC - Rp, 18.27.5.4 NMAC, 1/1/2015]

18.27.5.5 EFFECTIVE DATE: January 1, 2015, unless a later date is cited at the end of a section.

[18.27.5.5 NMAC - Rp, 18.27.5.5 NMAC, 1/1/2015]

18.27.5.6 OBJECTIVE: To establish policies and procedures for a determination of responsibility through a contractor prequalification system that directly rewards good performers and encourages poor performers to improve.

[18.27.5.6 NMAC - Rp, 18.27.5.6 NMAC, 1/1/2015]

18.27.5.7 DEFINITIONS:

A. This rule adopts the abbreviations, symbols and definitions in the division 100-general provisions of the New Mexico department of transportation current edition of the standard specifications for highway and bridge construction and incorporates the same by reference.

B. CID is the abbreviation of construction industries division.

C. Compass form means the New Mexico department of transportation form generated at project closure that documents certain contractor performance measurement data.

D. Innovative contracting is an alternate form of competitive bidding consistent with federal and state procurement laws that can result in work being awarded to a responsible bidder that may not submit the lowest monetary bid.

E. Modified bid amount means the contractor's bid multiplied by the contractor's prequalification factor rolling average or Pqfra. The modified bid amount will be used solely for determining the apparent lowest responsible bidder. The modified bid amount will not be used for payment.

F. Packet means the current New Mexico department of transportation contractor prequalification application from the office of inspector general.

G. Performance factor or Pf means the numerical quantification of a contractor's past performance on closed projects for certain objectively measureable criteria.

H. Pf claim or Pfc means the performance measurement of a contractor's unsuccessful demand for reconsideration seeking additional compensation or contract time beyond the cabinet secretary administrative remedy level.

I. Pf disincentive or Pfd means the performance measurement of a contractor's quality of work related to certain contract items. Applicable contract items for disincentive are the following sections 401 pavement smoothness measurement, 403 open graded friction course, 403 - a warm mix asphalt - open graded friction course, 404 rubberized open graded friction course, 416 minor paving, 417 miscellaneous paving, 423 hot mix asphalt - major paving, 424 warm mix asphalt - major paving, 450 major portland cement concrete pavement, 451 minor portland cement concrete pavement, 456 continuously reinforced concrete pavement, and division 900 quality criteria.

- J.** Pf liquidated damages or Pfld means the performance measurement of a contractor's timely completion of the contract.
- K.** Pf non-conformance or Pfn means the performance measurement of a contractor's compliance with the terms and conditions of the contract.
- L.** Pf safety or Pfs means the performance measurement of a contractor's safety reflected by the contractor's experience modifier rate or emr provided by the contractor's bonding company.
- M.** Pf subcontractor or Pfsc means the performance measurement of a contractor's prompt payment of its first tier subcontractors.
- N.** Pqf rolling average or Pqfra means the final measure of responsibility that is applied to the contractor's bid resulting in the modified bid amount.
- O.** Prequalification factor year or Pqfyr means the yearly calculation of a contractor's performance factors.
- P.** Prequalification factor or Pqf means the overall mathematical analysis of the performance factors that measures contractor responsibility. Prequalification factor is abbreviated Pqf.
- Q.** Prequalification packet means the New Mexico department of transportation form submitted annually.
- R.** Project closure means completion of the project and occurs on the date that the state construction engineer or New Mexico department of transportation designee signs the compass form.
- S.** Responsibility means an objective determination based on past performance by the New Mexico department of transportation of the contractor's capability in all respects to perform fully and make satisfactory delivery the requirements of the contract including the integrity and reliability that will assure good faith performance.
- T.** Rolling average means a calculation to analyze data points by creating a series of averages of different subsets of the full data set.
- [18.27.5.7 NMAC - Rp, 18.27.5.7 NMAC, 1/1/2015; A, xx/xx/20xx]

18.27.5.8 PREQUALIFICATION PROCEDURE: The most current version of the prequalification packet to obtain prequalified status must be obtained from the office of inspector general of the New Mexico department of transportation website. Each contractor and subcontractor seeking to become prequalified shall submit the prequalification packet and any supporting information to the New Mexico department of transportation office of inspector general as indicated in the prequalification packet. Deadlines are calculated from the date office of inspector general receives the new or renewal packet. Requests for prequalification will not be processed without the submission of a timely, complete and conforming packet. All packets shall contain a complete affidavit, executed under penalty of perjury by an authorized individual, certifying that the information contained in the packet is true and correct. Untimely, incomplete and non-conforming packets will not be processed.

A. Prequalified status will be granted upon the approval of a timely, complete and conforming prequalification packet by the office of inspector general.

B. An untimely, incomplete, or nonconforming packet will result in delays affecting prequalification status and will negatively impact the prime contractor's ability to bid on New Mexico department of transportation projects.

(1) Obtaining prequalified status is a condition to submitting a bid. Prime contractors submitting a new prequalification packet or renewal prequalification packet must be approved no later than seven calendar days before the opening of any bid.

(2) Prime contractors submitting a bid without timely obtaining prequalified status shall result in a determination that its bid is non-responsive and the bid shall be rejected.

C. Subcontractors, at any tier, must obtain prequalified status before performing any work on the project. Work performed without prequalified status shall be non-compensable.

D. For prime contractors and subcontractors who are currently prequalified by the effective date of this rule the applicant will not need to submit a new prequalification packet until the anniversary date of their last packet.

E. For prime contractors and subcontractors submitting packets, within five calendar days from the receipt of a prequalification packet the office of inspector general will provide notice of receipt of the packet.

(1) If the packet submitted is complete and conforming then the office of inspector general will provide written notice to the applicant of approved prequalified status.

(2) If the packet submitted is incomplete or does not conform to the requirements then the office of inspector general will provide written notice to the applicant that the packet will not be processed until the packet is complete and conforms to the requirements.

(3) The date of the written notice of approved prequalified status shall establish prequalification eligibility for a period of one year. Prequalified status shall automatically terminate if not renewed prior to the expiration date established by the written notice of approved prequalification status.

F. Renewal packets shall be submitted no more than 30 calendar days before the expiration date on the document published by the office of inspector general titled prequalified contractors and subcontractors list. Prequalified status shall automatically terminate for the failure to submit a timely, complete and conforming renewal packet. Prequalified status shall be re-established upon the approval of a complete and conforming renewal packet.

G. Appeal of the denial of prequalification eligibility based upon the receipt of untimely, incomplete or non-conforming packet shall be submitted in writing to the office of inspector general with supporting documentation within seven calendar days of the denial of prequalified status. If the appeal is untimely the aggrieved party waives the right to appeal. The inspector general, or designee, will issue a final written decision upholding or reversing the denial of prequalified status within seven calendar days of the receipt of a timely appeal. The inspector general's decision constitutes the final action taken by the office of inspector general related to a denial of prequalified status under this section.

H. Obtaining prequalification status, a performance factor, or a prequalification factor rolling average does not grant a license to do business, a right to bid or to be awarded a contract.

I. In the event a contractor or subcontractor is suspended or debarred, its prequalification status shall immediately and automatically terminate without further notice. In order to obtain renewed prequalification status after a period of suspension or debarment a new complete and conforming prequalification packet must be submitted and approved.

[18.27.5.8 NMAC - Rp, 18.27.5.8, 18.27.5.9, 18.27.5.10, 18.27.5.11, 18.27.5.12 NMAC, 1/1/2015; A, xx/xx/20xx]

18.27.5.9 DEFICIENT, FALSE OR MISLEADING STATEMENTS: Any deficient, deceptive, false, fraudulent or misleading statements in the prequalification packet or incomplete affidavit may subject the offending party to an automatic rejection or revocation of prequalified status, suspension, debarment proceedings or other civil and criminal penalties under the New Mexico department of transportation rules and may be reported to the New Mexico attorney general and the federal highway administration for further action.

[18.27.5.9 NMAC - Rp, 18.27.5.14 NMAC, 1/1/2015]

18.27.5.10 LICENSING: Only contractors licensed in New Mexico may perform highway construction work for the New Mexico department of transportation. The timing and requirements for licensure appear in the invitation for bids for the project. All persons seeking additional information should refer to the New Mexico CID rules and regulations and the Construction Industries Licensing Act. Contractors are not required to have the necessary construction industry licenses to submit a prequalification packet.

[18.27.5.10 NMAC - Rp, 18.27.5.9 NMAC, 1/1/2015]

18.27.5.11 PREQUALIFICATION CALCULATION: The New Mexico department of transportation will gather prime contractor performance data from each project upon project closure. The data collected will be used to calculate a yearly prequalification factor. The prequalification factor rolling average will be applied to each prequalified prime contractor to evaluate the prime contractor's bid for department projects as indicated in the invitation for bids.

A. The performance factors are claims, disincentives, liquidated damages, non-conformance, safety, and subcontractor.

(1) Pf claim data will be documented on the compass form and will be collected from the New Mexico department of transportation's closed project records.

(2) Pf disincentive data will be documented on the compass form and will be collected from the New Mexico department of transportation's closed project records indicating whether disincentives were assessed on standard specification division for surface treatment and pavements and division for quality criteria items.

(3) Pf liquidated damages data will be documented on the compass form and will be collected from the New Mexico department of transportation's closed project records indicating whether liquidated damages were assessed.

(4) Pf non-conformance data will be documented on the compass form and will be collected from the New Mexico department of transportation's closed project records indicating whether non-conformances were assessed.

(5) Pf safety data will be the contractor's experience modifier rating as reported on its prequalification packet.

(6) Pf subcontractor data will be documented on the compass form and will be collected from the New Mexico department of transportation's construction and civil rights bureau records indicating findings for the failure to promptly pay subcontractors without good cause.

B. The performance factors are assigned percentage values within the yearly prequalification factor calculation.

(1) The percentage associated with claims is fifteen percent.

(2) The percentage associated with disincentives is thirty percent.

(3) The percentage associated with the liquidated damages is thirty percent.

(4) The percentage associated with non-conformances is ten percent.

(5) The percentage associated with safety is five percent.

(6) The percentage associated with subcontractor is ten percent.

C. Pf claim or Pfc is calculated in the following manner:

(1) Claims that are not pursued beyond the cabinet secretary administrative remedy level will not be included in the calculation for Pf claim.

(2) For claims that are pursued beyond the cabinet secretary administrative remedy level a binary system will be used to assign a value of zero or one to evaluate claims.

(a) Claims resolved for the value of the claim or more brought beyond the cabinet secretary level will be assigned a value of zero.

(b) Claims resolved for less than the value of the claim brought beyond the cabinet secretary level will be assigned a value of one.

(3) Pf claim is calculated by adding the number one to the outcome of the sum of the claim value divided by the sum of closed projects.

(4) Pf claim resulting in a value of one will be assigned a bonus value for Pf claim equal to 0.9.

(5) Pf claim will then be multiplied by the percentage associated with Pf claim. The resulting value will be incorporated into Pqfyr.

D. Pf disincentive or Pfd is calculated in the following manner:

(1) For each closed project:

(a) Sum paid and accepted applicable contract items.

(b) Sum of paid and accepted applicable contract items less applicable contract disincentives.

(c) Divide the total of Subparagraph (a) by the total of Subparagraph (b) of Paragraph (1) of Subsection D of this Section.

(d) If Subparagraph (a) is equal to zero of Paragraph (1) of Subsection D of this Section Subparagraph (c) of this Section will be assigned a value of one.

(e) If the result of Subparagraph (c) of Paragraph (1) of Subsection D of this Section is exactly one with paid and accepted applicable contract items Subparagraph (c) of this Section will be assigned a value equal to 0.9.

(2) Sum all closed projects of Subparagraph (c) of Paragraph (1) of Subsection D of this Section in a given year and divide by the count of closed projects resulting in Pfd.

(3) Pf disincentive will then be multiplied by the percentage associated with Pf disincentive. The resulting value will be incorporated into Pqfyr.

E. Pf liquidated damages or Pfld has two separate methods of calculation one for mandatory completion date projects and one for calendar or working day projects:

(1) For mandatory completion date projects liquidated damages equivalence is calculated:

(a) Subtract the mandatory completion date including any awarded time from the notice to proceed date to equate to a whole number.

(b) Subtract the actual completion date from the notice to proceed date to equate to a whole number.

(c) Divide the total of Subparagraph (b) by the total of Subparagraph (a) of Paragraph (1) of Subsection E of this Section.

(d) A resulting value less than or equal to one from Subparagraph (c) of Paragraph (1) of Subsection E of this Section will be assigned a bonus value equal to 0.9.

(2) For calendar or working day projects liquidated damages equivalence is calculated:

(a) Sum of the total days charged.

(b) Sum of the total days contracted.

(c) Divide the total of Subparagraph (a) by Subparagraph (b) of Paragraph (2) of Subsection E of this Section.

(d) A resulting value less than or equal to one from Subparagraph (c) of Paragraph (2) of Subsection E of this Section will be assigned a bonus value equal to 0.9.

(3) Pf liquidated damages for a given year is the calculated from all project liquidated damages. Pf liquidated damages is the sum of liquidated damages equivalence for mandatory completion date, calendar or working day projects divided by the count of closed projects resulting in Pfld.

(4) Pf liquidated damages will then be multiplied by the percentage associated with Pfld. The resulting value will be incorporated into Pqfyr.

F. Pf non-conformance or Pfn is calculated in the following manner:

(1) Sum the number of progress payments per project.

(2) Sum the number of progress payments without non-conformance.

(3) Divide Paragraph (1) by Paragraph (2) of this Subsection.

(4) A resulting value of one for Paragraph (3) of this Subsection will be assigned a bonus value equal to 0.9.

(5) Sum all closed projects of Paragraph (4) of this Subsection in a given year and divide by the count of closed projects resulting in Pfn.

(6) Pf non-conformance for a given year will then be multiplied by the percentage associated with Pfn. The resulting value will be incorporated into Pqfyr.

G. The performance factor for safety or Pfs is the contractor's experience modifier rate supplied annually by the contractor at the time of submission of the prequalification packet.

(1) Pfs for a given year is the numerical value of the contractor's experience modifier rate.

(2) If the experience modifier is equal to or less than one the Pfs is assigned a value of 0.9.

(3) The experience modifier rate is multiplied by the percentage associated with Pfs. The resulting value will be incorporated into Pqfyr.

H. Pf subcontractor or Pfsc is calculated in the following manner:

(1) Negative findings against the prime contractor per project will result in a value of one per finding.

(2) Pfsc for a given year is the sum of all negative findings in the year.

(3) Zero findings on all closed projects within the year will receive a bonus of Pf subcontractor equal to 0.9.

(4) The sum of Pfsc for a given year is multiplied by the percentage associated with Pfsc. The resulting value will be incorporated into Pqfyr.

I. The contractor's yearly performance factor is the sum of the individual performance factors multiplied by their associated percentages.

J. The equation is $Pqfyr = Pfc * \text{fifteen percent} + Pfld * \text{thirty percent} + Pfld * \text{thirty percent} + Pfn * \text{ten percent} + Pfs * \text{five percent} + Pfsc * \text{ten percent}$.

K. In the absence of data for any given year a contractor's Pqfyr will be assigned a value of one.

L. For joint ventures the higher value of all joint venture applicant's Pqfra will be used for the modified bid amount.

M. The contractor's prequalification factor rolling average will be denoted as Pqfra.

(1) The Pqfra will be calculated through the use of a rolling average covering a period of three years. Each rolling average year will be assigned a weighting factor and will be multiplied by the appropriate weighting factor starting with the most recent year.

(2) The most recent year, denoted as Pqfyr 1, will be multiplied by the weighting factor of 0.9.

(3) The preceding year, denoted as Pqfyr 2, will be multiplied by the weighting factor of 0.6.

(4) The preceding year, denoted as Pqfyr 3, will be multiplied by the weighting factor of 0.3.

(5) The sum of Pqfyr 1 through Pqfyr 3, is multiplied by their appropriate weighting factors and then divided by the sum of all weighting factors to result in the contractor's overall Pqfra.

N. The equation for $Pqfra = (Pqfyr 1 * 0.9 + Pqfyr 2 * 0.6 + Pqfyr 3 * 0.3) / (0.9 + 0.6 + 0.3)$.

O. All equations and calculations whether interim or final will be rounded to the thousandths place.
[18.27.5.11 NMAC - N, 1/1/2015; A, xx/xx/20xx]

18.27.5.12 POSTING, REVIEW AND APPLICATION OF PREQUALIFICATION FACTOR: The following procedures will apply to the posting, review and application of the prequalification factor:

A. The Pqfra will be calculated once a year on projects closed between January first and December thirty-first of the previous year.

B. The Pqfra will be posted on the office of inspector general list titled prequalified contractors and subcontractors list by the second Friday in January on the department's website.

C. The Pqfra will be applied to a prime contractor's bid(s) beginning with the March bid opening until superseded by an updated Pqfra.

D. The Pqfra will be used to determine the modified bid amount.

E. A Pqfra may be re-calculated and reposted at times other than the second Friday in January in order to implement the decision of a hearing officer, a court order or a required correction.
[18.27.5.12 NMAC - N, 1/1/2015; A, xx/xx/20xx]

18.27.5.13 APPEAL PROCEDURE: In the event of the appeal of a contractor's prequalification factor the following procedures shall apply:

A. Only a contractor disputing their own prequalification factor shall have the right to appeal their factor to the New Mexico department of transportation under this section.

B. To be considered an appeal must conform in timing, form and service to all requirements in this section or the appeal shall be rejected.

C. A contractor disputing only the misapplication of its prequalification factor to their bid shall file the appeal according to the bidding dispute resolution procedures in the division 100-general provisions of the New Mexico department of transportation current edition of the standard specifications for highway and bridge construction at time of bid.

D. A contractor disputing only the calculation of its prequalification factor shall file its appeal within seven calendar days of the publication of their prequalification factor.

E. The appeal filed must conform to the requirements below and contain the following information:

(1) The appeal shall be in writing.

(2) Appeals made by electronic mail shall not be considered.

(3) The appeal shall clearly and concisely state the party's right to appeal, the grounds for appeal, the requested relief, and contain relevant laws, rules, regulations and documents to support the appeal.

(a) Sufficient copies of cited laws, rules, regulations, or documentary evidence shall be included with the appeal.

(b) Supporting documentary evidence not submitted at the time of filing the appeal shall be submitted no later than five calendar days before the hearing.

(4) The documents submitted in the appeal process shall not be considered confidential and will be subject to the Inspection of Public Records Act, Sections 14-2-1 to 14-2-12 NMSA 1978 (1993, as amended through 2011).

F. Service of the appeal shall occur as follows:

(1) A contractor disputing its prequalification factor shall serve the appeal upon the New Mexico department of transportation's cabinet secretary. The contractor shall contemporaneously provide a copy of the appeal to the office of general counsel and the office of inspector general at the respective address for each.

(2) Service upon the cabinet secretary must be made either in person, by certified mail return receipt requested, or by delivery by a nationally recognized courier.

(3) Service must be made during regular business hours.

(4) Service made outside of regular business hours will be considered effective the next business day.

G. 10 calendar days after receipt of a timely and complete appeal the cabinet secretary shall provide the following:

(1) Notice to all parties advising the parties that an informal hearing will be convened and designating a neutral hearing officer or designating the cabinet secretary as the hearing officer.

(2) Within seven calendar days of the cabinet secretary's designation the hearing officer will provide a notice to all parties of hearing with the date, time and location of the hearing. The notice of hearing will be provided no later than seven calendar days before the chosen hearing date for the informal hearing.

H. The formal rules of civil procedure, formal discovery processes, and the formal rules of evidence shall not apply to the informal hearing.

- (1) Any party to the appeal may choose to have legal counsel present.
- (2) The hearing officer has the authority to determine the degree of formality of the hearing.
- (3) The hearing officer has the authority to determine the total time allotted for the informal hearing and how the time will be apportioned between the parties.

I. The hearing officer shall be responsible for maintaining a record of the evidence and proceedings.

- (1) The hearing officer will weigh the credibility of the evidence provided by both parties.
- (2) The hearing officer may use any reliable information, no matter the source, in arriving at a determination.

(3) If the hearing officer uses information in the determination not provided by either party then the hearing officer will allow a reasonable amount of time for rebuttal from either party.

J. The hearing officer shall issue a decision regarding the appeal within seven calendar days of the hearing unless otherwise extended by the hearing officer in writing, no extension shall exceed 21 calendar days from the hearing.

- (1) The hearing officer's decision will constitute the final department action on the appeal.
- (2) No further action on the appeal may be taken by the either party if the hearing officer's decision is accepted by both parties.

(3) If either party does not fully accept the hearing officer's decision then that party may proceed with an appeal in state district court by filing the appropriate pleadings.

K. Record of the appeal through the hearing officer's decision will be maintained by the office of inspector general for seven years after the date of the informal hearing.

L. For bidding purposes and during the period of appeal the contractor's previous prequalification factor will apply.

[18.27.5.13 NMAC - N, 1/1/2015; A, xx/xx/20xx]

18.27.5.14 PREQUALIFICATION COMMITTEE: Members of the prequalification committee will be designated by the cabinet secretary of the New Mexico department of transportation and shall meet annually to review the prequalification process. Any information reported by a prime contractor or subcontractor during the prequalification process may be reviewed by the prequalification committee to determine responsibility.

[18.27.5.14 NMAC - N, 01-01-15]

18.27.5.15 PREQUALIFICATION FOR CONSOLIDATED CORPORATIONS, MERGED CORPORATIONS, AND JOINT VENTURES: The following prequalification packet procedure and Pqfra will apply to consolidated corporations, merged corporations and joint ventures:

A. For a consolidated corporation pursuant to Subsection A of 54-1A-303 NMSA 1978, or a similar statutory provision, the new corporation must be prequalified no later than seven calendar days before the opening of any bid.

B. For a merged corporation pursuant to Subsection A of 54-1A-303 NMSA 1978, or a similar statutory provision, the surviving corporation must be prequalified no later than seven calendar days before the opening of any bid. The Pqfra score of the surviving corporation will be the highest Pqfra of the individual corporations who merged and will be used for the modified bid amount.

C. Each prime contractor participating in the joint venture must be individually prequalified seven calendar days before bid opening to join forces as a joint venture for bidding and performing work related to a single project. The joint venture itself need not prequalify.

(1) The joint venture shall file with the office of inspector general at least seven calendar days before the opening of any bid a completed statement of joint venture form. The most current version of the statement of joint venture form must be obtained from the New Mexico department of transportation website.

(2) For joint ventures the higher value of all joint venture applicant's Pqfra will be used for the modified bid amount.

(3) Each prime contractor participating in the joint venture will receive a compass form for the project to be used in calculating the prime contractor's individual prequalification factor.

[18.27.5.15 NMAC - N, xx/xx/20xx]

18.27.5.16 ADOPTION OF THE NEW MEXICO STATE DEPARTMENT OF TRANSPORTATION CURRENT EDITION OF THE STANDARD SPECIFICATIONS FOR HIGHWAY AND BRIDGE

CONSTRUCTION: This rule adopts by reference the current edition of the *New Mexico state department of transportation standard specifications for highway and bridge construction*, as amended by this rule.
[18.27.5.17 NMAC - N, 1/1/2015]

HISTORY OF 18.27.5 NMAC:

Pre-NMAC History: None

History of the Repealed Material:

18 NMAC 27.5, Highway Construction General Provisions-Contractor Prequalifications, filed 11/13/1998. This was a temporary rule expiring 120 days from effective date of 11/30/1998.

18.27.5 NMAC, Contractor Prequalification Rule, (filed 12/07/2000) repealed and replaced by 18.27.5 NMAC, Contractor Prequalification Rule, effective 01/01/15.

Tab 13c

Request for

Approval to Initiate

Rulemaking Action

for the

Establishment of

18.14.5 NMAC,

Highway/Railway

Intersection and

Joint Interest

Projects

Commission Brief

SUBJECT: Initiate rulemaking action for the establishment of rule 18.14.5 NMAC, Highway/Railway Intersection and Joint Interest Projects.

PRESENTER: Bill Craven, Rail Bureau Manager

BACKGROUND:

Existing rules for highway/railway projects are in the Public Utilities Title 17.4.2 NMAC, which has not been updated since the 1990's. A rulemaking action to initiate a repeal and replacement of 17.4.2 NMAC is before the STC at the July meeting. In the intervening years, responsibility for highway/railway project coordination has been transferred from the Utilities Section within the Right of Way Bureau to the Rail Facilities and Permitting Section within the Rail Bureau. The repeal and replacement of 17.4.2 NMAC will delete sections related to highway/railway project coordination from the responsibilities of the Utilities Section, necessitating a new rule be created for highway/railway project coordination by the Rail Facilities and Permitting Section.

ACTION: Staff requests that the STC initiate a rulemaking action for the establishment of rule 18.14.5. A motion is required to initiate rulemaking.

TITLE 18 TRANSPORTATION AND HIGHWAYS
CHAPTER 14 RAILROADS
PART 5 RAILROAD COST AND MAINTENANCE RESPONSIBILITY ON
HIGHWAY/RAILWAY PROJECTS

18.14.5.1 ISSUING AGENCY: New Mexico State Department of Transportation

18.14.5.2 SCOPE: This rule will apply to the development or maintenance of highway projects that have conflicts between highway construction features or maintenance activities and railroad property and/or facilities.

{During the development or maintenance of some highway projects, it shall be necessary to coordinate with and secure approval from railroad companies to resolve conflicts between highway construction features or maintenance activities and railroad property and/or facilities. This Section sets forth railroad eligibility for reimbursement by the Department for costs incurred in resolving such conflicts where construction of a highway project necessitates the use of railroad property or affects railroad facilities . There shall be a written agreement between the State and the railroad company, and such agreements shall meet the requirements of the 49 CFR, Part 646. }

18.14.5.3 STATUTORY AUTHORITY: Adoption of these regulations is pursuant to authority granted to the state transportation commission and state department of transportation under Sections 67-3-12, 63-3-35, 63-3-36, 63-3-37, 63-3-38, 42A-2-1, 63-2-15, NMSA 1978.

18.14.5.4 DURATION: Permanent.

18.14.5.5 EFFECTIVE DATE: This rule will become effective when the final rule is published in the New Mexico Register, unless a later date is cited at the end of a section.

18.14.5.6 DEFINITIONS:

- A. AASHTO** -- American Association of State Highway and Transportation Officials.
- B. Agreement** -- Pertains to the New Mexico Department of Transportation standard form Utility Relocation Agreement or other specifically written agreements pertaining to the relocation of utilities in conflict with highway construction, but not limited only for these purposes.
- C. Average daily traffic** -- The average 24 hour vehicular traffic volume, derived from the total volume divided by the number of days in a one year (usually) period. Commonly abbreviated as ADT.
- D. Control number or CN** -- Four digit number assigned to specific highway projects and used for identification and tracking purposes.
- E. Cost of relocation** -- The entire amount properly attributable to relocation of a utility facility after deducting therefrom the value of any betterment of the new facility and any salvage value derived from the old facility.
- F. Department** -- The New Mexico Department of Transportation, sometimes identified herein as NMDOT.
- G. District engineer** -- The engineer in charge of one of the Department's six construction and maintenance districts.
- H. Easement** -- The document that grants the right to use land (usually in corridors or strips) owned by others, and that defines the conditions of such use.
- I. Eminent domain** -- The right of government, utilities and other public entities to take land for public use (upon the payment of just compensation) from land owners unwilling to sell the land after a negotiation for purchase has failed.
- J. Encroachment** -- Unauthorized and illegal use of highway right-of-way or other lands owned or administered by the Department, State or other Public Agencies.
- K. Federal-aid highways** -- All roads constructed in whole or in part with federal aid.
- L. FHWA** Federal Highway Administration.
- M. Force account** -- A daily record of expenditures. Records construction labor, materials, equipment usage, transportation costs and other costs such as commercial travel, per diem and other legitimate administrative costs incidental to utility relocation construction work performed by a utility with their own personnel, at actual costs incurred, without profit.

- N. HA** -- Highway Agency or State Highway Agency (SHA) or other named State Highway Organizations.
- O. Highway, street or road** -- A general term denoting a public way for the purpose of vehicular and other modes of travel. The names usually apply to the entire area within the right-of-way limits.
- P. I-Project** -- Interstate Highway Project.
- Q. Joint use agreement** -- An Agreement between the Department and a utility owner that provides for one future utility relocation and replacement right-of-way payment when a utility facility that occupies a private easement (corridor or strip of land) is taken for new highway right-of-way but no utility relocation is immediately necessary. The utility remains in place since there is no conflict with the highway features.
- R. MUTCD** -- Manual on Uniform Traffic Control Devices. The standard highway, street or road traffic marking and signing directive implemented by the U.S. Department of Transportation, for standard use throughout the United States.
- S. P & PSheets** -- Construction plan and profile sheets.
- T. PS & E review** -- Final plans, specifications and estimate reviews by the Department, just before letting a highway project to contract.
- U. Permit** -- Department document that provides for the occupancy of public right-of-way by utilities, entitled New Mexico Public Highway Utility Accommodation Permit, also called a use and occupancy agreement, in the references.
- V. Public highway** -- Any federal, state, county or city highway, street, road or other public way devoted to vehicular and other modes of travel including the entire area within the right-of-way.
- W. Reimbursement** -- For the purposes of this regulation, shall mean payment by the Department for eligible costs properly attributable to the highway construction, pursuant to State and Federal regulations.
- X. Relocation** -- Means and includes any horizontal or vertical movement of utility facilities intact and any protective measures taken or, where found by the Department to be necessary, the construction of new or additional facilities (with or without contemporaneous removal and salvage of old facilities) in this state, including, in any case, adjustment or protection of connecting off-highway utility lines to the extent necessary.
- Y. Right-of-way, R/W or R.O.W.** -- A general term or abbreviations for right-of-way, denoting land, property or interest therein; usually referring to a strip or corridor acquired for transportation or utility purposes.
- Z. Structure** -- A bridge, drainage culvert or irrigation facility in highway usage, and a power or telephone pole in utility usage. Many other items are identified as structures in other industries.
- AA. Traffic control plan (T.C.P.)** -- A plan designed to guide drivers safely through a construction area; such plan must meet MUTCD minimum requirements.
- Use and occupancy agreement** -- See Permit.
- AB. Vertical clearance** -- The difference in elevation, without obstruction, from the lowest point of the superstructure (bridge or box culvert, usually bottom of roof or deck bottom) or a wire conductor to the highest point of the traveled-way, river or railroad track, or below the bottom of a corrugated metal culvert or concrete box culvert or other utility underground facility to the top of another utility pipeline, conduit or cable built beneath the drainage structure or other utility facility.

18.14.5.7 GENERAL POLICIES:

- A.** It is in the public interest for railroads to be accommodated within the public right-of-way of highways and, under limited conditions, within access controlled freeways, including interstates under the jurisdiction of the New Mexico Department of Transportation when such use does not adversely affect the highway features, aesthetic quality, public use, or safety of the traveling public.
- B.** Railroads have the power of eminent domain, which gives them a quasi-public status. In addition, a railroad operating in New Mexico has a legal right to install its facilities within highway right-of-way, subject to the regulations of this Department. Railroads are not right-of-way encroachments, nor may they be treated as such. Therefore, the administrative intent of the Rail Facilities and Permitting Section is to provide reasonable, efficient and economic solutions to conflicts between the requirements of highway design, construction operations and safety and the location of railroad facilities. Rail Facilities and Permitting Section Agents, Technicians and other assigned personnel should engage in constant liaison with railroads, to ensure that the communication and interrelations with them are an on-going function of their work performance.
- C.** The location or the relocation of railroad facilities within existing New Mexico public highway right-of-way, or right-of-way to be acquired for highway construction purposes, shall be governed by all applicable State laws, rules and regulations, Federal Codes and the Department policy set forth herein.

18.14.5.8 PROCEDURES:

A. Preliminary negotiation: Preliminary negotiation should be initiated by the Department with the railroad at the location stage, if possible. Upon approval of the location, the railroad shall be provided with information showing a tie to the railroad center line, railroad mile post or bridge. A proposed highway typical Section shall be supplied, along with a request that the railroad's horizontal and vertical clearances, maintenance road, drainage and other requirements be forwarded to the Department as soon as possible. This information shall then be forwarded to the appropriate Engineering/Design Division Unit, preferably before design of the highway project begins. As soon as preliminary plans showing the railroad requirements are available, they shall be sent to the railroad, along with a letter requesting a field meeting with railroad officials. The negotiations and understandings reached at such meeting shall be documented and reviewed prior to beginning negotiations for a State/Railroad Agreement.

B. Right-of-way: When railroad operating right-of-way is required for highway construction purposes, including, but not limited to soil exploration, a right of entry shall be secured by the Department prior to entering railroad property. Such right of entry may be in letter or agreement form and shall be fully executed by the State and railroad. Where soil exploration within railroad property is necessary, it is preferable that Department crews perform such exploration, because of strict insurance and agreement provisions. Because the State is self-insured, it is less cumbersome and time consuming to have State forces perform exploration activities within railroad property.

C. Negotiations for agreements/authorizations: Negotiations for a final agreement can be started after the following plans are available for review by the railroad company: (1) the layout structure over or under the tracks if a grade separation is involved, showing a tie to the railroad centerline, minimum clearances, both horizontal and vertical, and provisions for extra tracks, and off track maintenance equipment, if such provisions are required; (2) right-of-way plans showing the crossing area or easements required from the railroad company, together with a description thereof; and (3) highway plans showing grade, drainage and other features that may affect the railroad. The plans shall be developed to a stage where changes by the Department will not require re-engineering by the railroad. If authorization has been received from the FHWA for preliminary engineering, the plans that are applicable shall be sent to the railroad company in quadruplicate, with an explanation of any items that may be obscure to the railroad company. The transmittal letter to the railroad shall include information regarding the letting date for the project, a request for review of the plans transmitted, and comments or approval, and a request for the railroad to prepare their force account estimate. This submittal is the authorization from the Department to the railroad to proceed with their engineering and design.

D. Processing agreements : Four (4) copies of the Agreement (two original signatures and 2 stamped originals) shall be submitted for processing, accompanied by a letter to the FHWA requesting an authorization to proceed with construction (include method of construction, i.e., force account, contract, etc.) if provisions for railroad work are part of the Agreement. When the authorization from FHWA is received, the Department shall authorize the railroad to proceed with the railroad work required, in accordance with the approved agreement, plans, and estimate.

E. Railroad liability for cost of project:

(1) federal aid projects: The classification of projects and the requisite railroad share the cost on federal aid projects shall conform to 23 CFR, Part 646.

(2) state funded projects: The NMDOT has determined that railway liability with respect to specific project types shall be as follows:

(a) grade crossing elimination: When a project eliminates an existing rail/highway at-grade- crossing, either by grade separation or relocation of the highway or the railway, whether or not railway active warning devices are in place, the project shall be deemed a benefit to the railroad. The assigned railroad liability shall be five percent (5%) of the cost of the project, which costs shall be based on the cost for preliminary engineering, right-of-way and construction costs, including utilities and railroad force account. Where the project does not result in closing an existing at-grade-crossing, railroad participation shall not be required. Railroad participation is limited to the grade separation structure and approaches required to transition to a theoretical highway profile, which would have been constructed if there were no railroad present, for the number of lanes on the existing highway and in accordance with the current design standards of the Department. Responsibility for maintenance of a newly constructed grade separation shall be as follows:

(i) Where a separation facility overpasses a railroad, maintenance responsibility for the entire structure and approaches shall be assumed by the Department.

(ii) Where a grade separation structure underpasses a railroad, maintenance of the approaches and of the entire structure below, including the deck plate, hand rails and parapets, shall be the responsibility of the Department. Maintenance of the water proofing, ballast, ties, rails and any portion of the supporting structure above the top of the ballast deck plate between parapets shall be the responsibility of the railroad company owning the tracks.

(iii) The cost of repairing damage to a structure, occasioned by collision, equipment failure or derailment of railroad equipment shall be borne by the railroad.

(b) grade crossing protection: This type includes all projects for protection of highways and railways by automatic signal devices. Authorizations for installation of automatic signal devices are described in 23 CFR, Part 646; the U.S. Department of Transportation on Railroad-Highway Grade Crossing Handbook, or as otherwise determined by the Department. Flashing light signals shall be installed at all highway projects crossing a railroad, when the highway traffic count exceeds 100 A.D.T. and there are more than two (2) trains per day at the crossing. When the highway facility consists of more than two (2) lanes, cantilever type signals shall be installed. Automatic flashing light signals with short -arm gates shall be installed if one or more of the following conditions prevail:

(i) Multiple mainline railroad tracks.

(ii) Multiple tracks at or in the vicinity of the crossing which may be occupied by a train or locomotive so as to obscure the movement of another train approaching the crossing.

(iii) High speed train operation combined with limited sight distance at either single or multiple track crossing.

(iv) A combination of high speeds and moderately high volumes of highway and railroad traffic.

(v) A high volume of vehicular traffic crossing the tracks; a high number of train movements;

a substantial numbers of school buses or trucks carrying hazardous materials; unusually restricted sight distance; continuing accident occurrences; or any combination of these conditions.

(vi) A diagnostic team recommends them. Motion sensors and predictors shall be installed at locations where they may expedite highway traffic.

(c) The New Mexico Department of Transportation has determined that at-grade crossing protection falls into four (4) general classifications and conditions, as follows:

(i) Where a highway or railway project requires installation of automatic signal devices at a location which is presently only protected by advance warning signs and standard cross-bucks, the project is deemed to be of no benefit to the railroad company involved. The railroad rehabilitation work which will be required at such crossings, consisting of raising or lowering of track, pavement materials between tracks, including any widened roadway Section, shall be deemed to be of no benefit to the railroad and railroad participation in that portion of the project shall not be required.

(ii) Where an existing highway crosses a railroad at-grade and there are presently automatic signal devices in place, and if on account of highway widening, the signals must be relocated and the crossing improved but no new signals required, the project shall be considered to be of no benefit to the railroad and railroad participation shall not be required.

(iii) Where an existing highway crosses a railroad at-grade and there are presently automatic signal devices in place, and due to highway widening the signals must be replaced with cantilever type signals or signals with gates, the project shall be considered to be of no benefit to the railroad; the railroad rehabilitation work required at such crossings; consisting of raising or lowering of track, pavement materials between tracks, including any widened roadway Section, shall be considered of no benefit to the railroad and railroad participation in that part of the project shall not be required.

(iv) Where an existing highway crosses a railroad at-grade and there are presently automatic signal devices in place, and if on account of highway widening and improvement of the crossing the signal system must be modernized to include cantilever type or signals with gates, and the existing signals are to be relocated to the roadway median, the project shall be considered to be of no benefit to the railroad and railroad participation shall not be required. The railroad rehabilitation work which will be required at such crossing, consisting of raising or lowering of track pavement materials between tracks, including any widened roadway Section, shall be considered to be of no benefit to the railroad, and railroad participation in that part of the project shall not be required. Maintenance of automatic signal devices at the crossing surface and two (2) feet beyond each

outside rail including space between multiple tracks under any of the above described conditions, shall become the responsibility of the railroad company involved.

(d) reconstruction of existing railroad/highway grade separation: A project to reconstruct an existing overpass or underpass shall include the entire structure and railroad and the highway approaches thereto. Since there is no railway liability for such projects, there shall be no benefit to the railroad and railroad participation shall not be required. Responsibility for maintenance shall be the same as described under Subsection (2)(a) of 18.14.5.8 NMAC, above.

(e) existing railroad crossed by new highway: Where a new highway is constructed which is not a relocation of an existing highway and it intersects an existing railroad, the construction of a separation structure or the installation of a signal device at such crossing will not be considered a benefit to the railroad and railroad participation shall not be required. Responsibility for maintenance shall be the same as described under Subsection (2)(b)(iv) of 18.14.5 NMAC, aforementioned.

(f) Existing highway crossed by a new railroad: Where a new railroad crosses an existing highway, the required separation or signal devices and any pavement work at the crossing shall not be considered to be of benefit to the road user and 100% railroad participation shall be required. The determination as to separation or type of protection shall be according to the policy existing on the classification and traffic volume of the highway crossed and the relative traffic hazard. In the event exceptional situations arise and expansion of these regulations are necessary to cover the situation, the provisions of 23 CFR, Part 646, the U.S. Department of Transportation Grade Crossing Handbook, and other relevant data and/or conditions shall be considered; however, the decision of the Department shall be final.

F. Railroad Section 130 safety funds : On highway projects where railroad facilities are being impacted by highway construction, Section 130 funds shall not be used as a funding source unless the specific location of the rail/high facilities has been identified and included in an approved safety program by the State and FHWA. Exceptions may be projects where federal regulations that allow transfer of such funds have been considered and appropriate steps taken by the State and FHWA to allow their use. In all cases where railroad facilities are involved, early coordination between the Preliminary Engineering Bureau and the Rail Facilities and Permitting Section shall be pursued so as to identify potential options for addressing conflicts and circumventing project delays.

HISTORY OF 18.14.5 NMAC: [RESERVED]

Tab 14a

**New Mexico Rail
Runner Express
Annual Report to
the State
Transportation
Commission**

Commission Brief

SUBJECT: New Mexico Rail Runner Express Annual Report to the State Transportation Commission

PRESENTER: Dewey Cave, Executive Director and Tony Sylvester, Special Projects Manager, Rio Metro Regional Transit District

BACKGROUND: The Memorandum of Agreement between NMDOT and Rio Metro Regional Transit District (Rio Metro) regarding the New Mexico Rail Runner Express (NMRX) management, funding, and operation calls for Rio Metro to provide an annual report to the State Transportation Commission every year at the Commission's July meeting. The annual report is to include the NMRX annual operating and capital budgets, annual service plan, the five year capital maintenance plan/capital improvement plan, Rail Runner ridership and performance targets. Rio Metro prepared the attached report and will present the report at the July 19, 2018 Commission meeting.

ACTION: No Action. Staff Briefing.

Annual Report
For the
New Mexico Department of Transportation
New Mexico State Transportation Commission

From the
Rio Metro Regional Transit District

Pursuant to the Memorandum of Agreement between
the Rio Metro Transit District and the
New Mexico Department of Transportation
for Commuter Rail Operations – NMRX
July 2018



BACKGROUND

The Memorandum of Agreement (MOA) between the New Mexico Department of Transportation (NMDOT) and the Rio Metro Regional Transit District (RMRTD) calls for an annual report from the RMRTD to the New Mexico Transportation Commission (STC). The annual report, submitted for the July, 2018, meeting of the STC, contains the current year budget (SFY 19); the draft SFY 20 budget and service plan; the five-year NMRX and NMRX Corridor capital maintenance plan / capital improvement plan; and, reports of the implementation, status and material changes to the following:

1. Orders, rules, regulations, resolution, administrative and operational policies and procedures necessary for the governance and management of the NMRX.
2. Operation, management and maintenance of the NMRX and NMRX Corridor.
3. Annual financial audit of NMRX accounts.
4. Major agreements entered into by RMRTD with respect to the NMRX and NMRX Corridor.
5. Status of ongoing litigation.
6. Status of NMRX property ownership.
7. Status of all other mechanisms and processes implemented to ensure that the use of the NMRX and NMRX Corridor and other equipment and expenditures of public money for the planning, design, construction, maintenance, repair, operation, management, and administration of the NMRX service and Special Trains that may run within, through and outside the NMRX corridor are consistent with law and any existing or future applicable agreements relative to the NMRX and the NMRX Corridor.
8. Average weekday, Saturday, Sunday and monthly NMRX passenger boarding for the current and two previous fiscal years.
9. NMRX service and fare changes.
10. Status of meeting performance targets.

This report has three sections. Section 1 of the report addresses the-SFY 19 service plan and annual operating and capital budget. The current year budget is shown to define the funding sources and levels and expenditure categories. Section 2 includes the draft SFY 20 service plan and annual operating and capital budget as presented in the RMRTD Short Range Plan Addendum 6 (Plan). This section includes the-NMRX Capital Improvement Program 2019 -2025. Section 3 discusses the more general activities of the NMRX required by the MOA. The Plan is included as Appendix A of this report.

SECTION 1: SFY 2019 OPERATING & CAPITAL BUDGET AND SERVICE PLAN

SFY 2019 NMRX Operating and Capital Budget

	Proposed Funding Sources SFY 19 (\$000)																				
RMRTD Rail	Approved FY18 Budget	Approved FY 19 Budget	Capital FF18	5307 LU Capital FF19	5307 LU Capital C/O	5307 SU Ops (Dispatch)	PTC CRISI Grant	5337 SGR FF17 C/O	5337 SGR FF18	5337 SGR FF19	New and C/O	y PTC Grant	TAMS C/O	State /RRXing	BNSF/Amtr al	GRT	Farebox	SIB	Cash Reserve	Bond Proceeds	Ending Balance
REVENUES																					
Large Urban Capital	16,728.2	17,067.0	8,438.0	8,629.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	17,067.0
Large Urban Capital (Transfer to RTD Bus)	(1,200.0)	(1,200.0)	(1,200.0)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(1,200.0)
Large Urban Capital C/O X130	200.5	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Small Urban (Dispatch)	154.5	154.5	-	-	-	154.5	-	-	-	-	-	-	-	-	-	-	-	-	-	-	154.5
Pending Application PTC CRISI Grant	-	10,000.0	-	-	-	-	10,000.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Flex Funds STPU NM95X021 WIFI	228.0	228.0	-	-	-	-	-	-	-	-	228.0	-	-	-	-	-	-	-	-	-	228.0
STP-U PTC & Wi-Fi FY17 TA00410 New	301.0	301.0	-	-	-	-	-	-	-	-	301.0	-	-	-	-	-	-	-	-	-	301.0
State of Good Repair (SGR) New	16,902.4	17,285.0	-	-	-	-	-	-	8,578.0	8,707.0	-	-	-	-	-	-	-	-	-	-	17,285.0
SGR C/O NM2017-020	-	7,724.0	-	-	-	-	-	7,724.0	-	-	-	-	-	-	-	-	-	-	-	-	7,724.0
Alameda Siding	1,108.3	1,367.0	-	-	-	-	-	-	-	-	1,367.0	-	-	-	-	-	-	-	-	-	1,367.0
TAMS Carry Forward	317.0	240.0	-	-	-	-	-	-	-	-	-	-	240.0	-	-	-	-	-	-	-	240.0
Flex Fund Carryover (NM95x015)	125.0	95.0	-	-	-	-	-	-	-	-	95.0	-	-	-	-	-	-	-	-	-	95.0
State / RRRXing/Bridge Section 130	1,220.0	825.0	-	-	-	-	-	-	-	-	-	-	-	825.0	-	-	-	-	-	-	825.0
BNSF/Amtrak Lease	2,200.0	2,200.0	-	-	-	-	-	-	-	-	-	-	-	-	2,200.0	-	-	-	-	-	2,200.0
Rio Metro / NCRD GRT	14,500.0	14,500.0	-	-	-	-	-	-	-	-	-	-	-	-	-	14,500.0	-	-	-	-	14,500.0
GRT Transfer from Bus	1,200.0	1,200.0	-	-	-	-	-	-	-	-	-	-	-	-	-	1,200.0	-	-	-	-	1,200.0
Farebox	2,200.0	2,200.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,200.0	-	-	-	2,200.0
PTC Discretionary Grant	3,600.0	3,600.0	-	-	-	-	-	-	-	-	-	3,600.0	-	-	-	-	-	-	-	-	3,600.0
SIB	-	10,900.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	10,900.0	-	-	10,900.0
Bonds Proceeds	-	16,475.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	16,475.0	-
Cash Reserve	-	4,955.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4,955.0	-	4,955.0
TOTAL REVENUES	59,784.9	110,116.6	7,238.0	8,629.0	-	154.5	10,000.0	7,724.0	8,578.0	8,707.0	1,991.1	3,600.0	240.0	825.0	2,200.0	15,700.0	2,200.0	10,900.0	4,955.0	16,475.0	100,116.6
EXPENSES																					
Salaries & Benefits (51000-51112)	1,400.0	1,442.0	-	-	-	154.5	-	-	-	-	-	-	-	-	-	1,287.5	-	-	-	-	1,442.0
Professional Services (52500)	25.0	26.0	-	-	-	-	-	-	-	-	-	-	-	-	-	26.0	-	-	-	-	26.0
Non-Professional Services (52501-52507)	25.0	26.0	-	-	-	-	-	-	-	-	-	-	-	-	-	26.0	-	-	-	-	26.0
Communication (53100-53102) Dispatch	600.0	618.0	-	-	-	-	-	-	-	-	-	-	-	-	-	618.0	-	-	-	-	618.0
Utilities (53200-53201)	450.0	454.0	-	-	-	-	-	-	-	-	-	-	-	-	-	454.0	-	-	-	-	454.0
Travel (53320-53325)	15.0	15.0	-	-	-	-	-	-	-	-	-	-	-	-	-	15.0	-	-	-	-	15.0
Indirect (53400)	225.0	311.2	-	-	-	-	-	-	-	-	-	-	-	-	-	311.2	-	-	-	-	311.2
Printing/Supplies (53401-53407)	25.0	26.0	-	-	-	-	-	-	-	-	-	-	-	-	-	26.0	-	-	-	-	26.0
Insurance (53405)	3,000.0	3,000.0	-	-	-	-	-	-	-	-	-	-	-	-	-	3,000.0	-	-	-	-	3,000.0
Fuel (53410)	2,600.0	2,600.0	-	-	-	-	-	-	-	-	-	-	-	-	-	2,600.0	-	-	-	-	2,600.0
Non Vehicle Maintenance (53411-53412)	16.0	16.0	-	-	-	-	-	-	-	-	-	-	-	-	-	16.0	-	-	-	-	16.0
Herzog Transit Contract (53601-53607)	7,399.0	7,399.0	-	-	-	-	-	-	-	-	-	-	-	-	166.2	5,032.8	2,200.0	-	-	-	7,399.0
**Herzog Maintenance of Way	5,920.0	5,920.0	4,736.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5,920.0
**Herzog Maintenance of Equipment	4,181.0	4,181.0	2,502.0	829.2	-	-	-	-	-	-	-	-	-	-	849.8	-	-	-	-	-	4,181.0
Rental Expenses (53801-53805)	215.0	215.0	-	-	-	-	-	-	-	-	-	-	-	-	-	215.0	-	-	-	-	215.0
SUBTOTAL, O&M	26,096.0	26,249.2	7,238.0	829.2	-	154.5	-	-	-	-	-	-	-	-	2,200.0	13,627.5	2,200.0	-	-	-	26,249.2
Debt Service:	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt Service - Bonds*	-	1,372.0	-	-	-	-	-	304.1	1,067.9	-	-	-	-	-	-	-	-	-	-	-	1,372.0
Debt Service - Bonds**	-	659.0	-	-	-	-	-	659.0	-	-	-	-	-	-	-	-	-	-	-	-	659.0
PTC Debit Service (SIB GRT Funds)	-	109.0	-	-	-	-	-	-	-	-	-	-	-	-	-	109.0	-	-	-	-	109.0
SUBTOTAL DEBT SERVICE	-	2,140.0	-	-	-	-	-	963.1	1,067.9	-	-	-	-	-	-	109.0	-	-	-	-	2,140.0
NMRX Capital Maint Plan	7,076.2	2,533.0	-	-	-	-	-	2,026.4	-	-	-	-	-	-	-	-	-	506.6	-	-	2,533.0
NMRX Capital Maint WIFI/PTC	1,375.0	34,500.0	-	-	-	-	-	4,734.5	4,887.1	6,284.0	301.0	3,600.0	-	-	-	-	-	4,927.7	-	9,765.7	34,500.0
STP-U PTC & Wi-Fi (included above)	352.3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Crossing (Inc. section 130) (53702)	1,220.0	825.0	-	-	-	-	-	-	-	-	-	-	-	825.0	-	-	-	-	-	-	825.0
TAM (f5309 and match) (53709) CF	396.3	300.0	-	-	-	-	-	-	-	-	-	-	-	240.0	-	-	60.0	-	-	-	300.0
Passenger Fare/Rev (53708) (CooCoo)	221.3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Security Projects New	105.7	105.7	-	84.6	-	-	-	-	-	-	-	-	-	-	-	21.1	-	-	-	-	105.7
Security Projects C/O x130	29.4	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rehab/Ren Station (Flex Funds)X015 C/O	156.3	111.2	-	-	-	-	-	-	-	-	95.0	-	-	-	-	16.2	-	-	-	-	111.2
WiFi/Signal (O & M)	266.9	266.9	-	-	-	-	-	-	-	-	228.0	-	-	-	-	38.9	-	-	-	-	266.9
Alameda Siding Project	1,297.2	1,600.0	-	-	-	-	-	-	-	-	1,367.0	-	-	-	-	233.0	-	-	-	-	1,600.0
SUBTOTAL CAPITAL	12,496.4	40,241.8	-	84.6	-	-	-	6,760.9	4,887.1	6,284.0	1,991.1	3,600.0	240.0	825.0	-	369.2	-	5,434.3	-	9,765.7	40,241.8
TOTAL EXPENSES	38,592.4	68,631.0	7,238.0	913.8	-	154.5	-	7,724.0	5,955.0	6,284.0	1,991.1	3,600.0	240.0	825.0	2,200.0	14,105.7	2,200.0	5,434.3	-	9,765.7	68,631.0
CARRYOVER ***	21,192.49	31,485.60	-	7,715.22	-	-	10,000.00	-	2,623.00	2,423.00	-	-	-	-	-	1,594.34	-	5,465.70	4,955.00	6,709.34	31,485.60
* - Principal (\$18.54M Bonds, 4%, 10yr) ** - Interest (\$18.54M Bonds, 4%, 10yr) *** - Carryover does not reflect any potential CRISI PTC (or other) grant funding which, if awarded, would offset bond proceeds.																					

SFY 2019 NMRX Service Plan

SFY 19 Rail Runner Service Schedules

The current weekday, Saturday and Sunday Rail Runner schedules follow. RMRTD is not planning any service or schedule changes in SFY 19.

Weekday Schedule

Northbound / rumbo norte

Shown are departure time unless otherwise noted

TRAIN STATIONS	#502	#504	#102 EXPRESS	#506	#508	#510	#512	#514	#516	#518	#520
Belen	—	—	5:39A	6:35A	8:04A	—	3:40P	—	5:51P	7:01P	7:57P
Los Lunas	—	—	5:49A	6:46A	8:15A	—	3:51P	—	6:01P	7:12P	8:08P
Isleta Pueblo	—	—	6:02A	6:59A	8:27A	—	4:04P	—	6:16P	7:26P	8:22P
Bernalillo County	—	—	6:10A	7:06A	8:35A	—	4:11P	—	6:29P	7:35P	8:31P
Downtown ABO	4:32A	5:02A	6:22A	7:19A	8:42A	9:35A	4:26P	5:34P	6:48P	7:42P	8:38P
Montano	4:41A	5:11A	—	7:29A	—	9:44A	4:35P	5:43P	6:58P	—	—
Los Ranchos / JC	4:47A	5:17A	6:34A	7:36A	—	9:50A	4:41P	5:49P	7:06P	—	—
Sandia Pueblo	4:52A	5:22A	—	7:42A	—	9:55A	4:46P	5:54P	7:12P	—	—
Downtown Bernalillo	5:01A	5:31A	—	7:52A	—	10:03A	4:54P	6:07P	7:26P	—	—
Sandoval / US 550	5:05A	5:35A	6:46A	7:58A	—	10:08A	4:59P	6:12P	7:31P	—	—
Kewa	5:25A	5:55A	7:05A	8:18A	—	10:28A	5:19P	6:34P	7:50P	—	—
SF County / NM 599	5:48A	6:18A	7:24A	8:39A	—	10:51A	5:43P	6:57P	8:13P	—	—
Zia Road	5:58A	6:28A	—	8:49A	—	11:01A	5:53P	7:07P	8:23P	—	—
South Capitol	6:08A	6:38A	7:40A	8:56A	—	11:11A	6:00P	7:17P	8:33P	—	—
Santa Fe Depot	6:13A	6:43A	7:45A	9:01A	—	11:16A	6:05P	7:22P	8:38P	—	—

READ DOWN
(LA/ALICIA ABajo)

Southbound / rumbo sur

Shown are departure time unless otherwise noted

TRAIN STATIONS	#501	#503	#507	#509	#511	#513	#515	#101 EXPRESS	#517	#519	#521
Santa Fe Depot	—	—	5:39A	7:13A	1:02P	—	4:15P	5:04P	5:30P	6:46P	9:00P
South Capitol	—	—	5:43A	7:18A	1:07P	—	4:20P	5:09P	5:35P	6:51P	9:05P
Zia Road	—	—	5:49A	7:25A	1:14P	—	4:27P	—	5:42P	6:58P	9:12P
SF County / NM 599	—	—	6:01A	7:37A	1:26P	—	4:39P	5:26P	5:54P	7:10P	9:24P
Kewa	—	—	6:19A	7:55A	1:44P	—	4:57P	—	6:12P	7:28P	9:42P
Sandoval / US 550	—	—	6:38A	8:14A	2:03P	—	5:16P	6:02P	6:31P	7:47P	10:01P
Downtown Bernalillo	—	—	6:43A	8:18A	2:07P	—	5:20P	—	6:35P	7:51P	10:05P
Sandia Pueblo	—	—	6:52A	8:27A	2:16P	—	5:29P	—	6:44P	8:00P	10:14P
Los Ranchos / JC	—	—	6:57A	8:32A	2:21P	—	5:34P	6:14P	6:49P	8:05P	10:19P
Montano	—	—	7:02A	8:37A	2:26P	—	5:39P	—	6:54P	8:10P	10:24P
Downtown ABO	4:45A	5:30A	7:10A	8:45A	2:37P	4:30P	5:50P	6:25P	7:02P	8:18P	10:32P
Bernalillo County	4:53A	5:41A	7:19A	—	2:45P	4:38P	5:57P	—	7:09P	—	—
Isleta Pueblo	5:01A	5:49A	7:27A	—	2:52P	4:45P	6:06P	—	7:17P	—	—
Los Lunas	5:13A	6:06A	7:39A	—	3:05P	4:58P	6:22P	—	7:31P	—	—
Belen	5:24A	6:17A	7:50A	—	3:15P	5:08P	6:33P	—	7:42P	—	—

READ DOWN
(LA/ALICIA ABajo)

0:00 Train arrives but does not continue
El tren llega a destino pero no continúa

— Train has designated QUIET CAR
El tren tiene un vagón silencioso (QUIET CAR)

— Means train does not stop
Significa que el tren no se detiene

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SFY 19 Service Plan Saturday / Sunday Schedule

Saturday Schedule



ESTACIONES DE TREN

TRAIN STATIONS	#702	#704	#706	#708	#710
Belen	7:50A	12:45P	5:40P	7:43P	10:35P
Las Lunas	8:00A	12:55P	5:50P	7:53P	10:45P
Isleta Pueblo	8:11A	1:06P	6:01P	8:04P	10:56P
Bernalillo County	8:19A	1:14P	6:09P	8:12P	11:03P
Downtown ABQ	8:30A	1:25P	6:20P	8:23P	11:11P
Montano	8:39A	1:34P	6:29P	8:32P	—
Los Ranchos / JC	8:45A	1:40P	6:35P	8:38P	—
Sandia Pueblo	8:50A	1:45P	6:40P	8:43P	—
Downtown Bernalillo	8:58A	1:53P	6:48P	8:51P	—
Sandoval / US 550	9:02A	1:57P	6:52P	8:55P	—
Keewa	9:20A	2:15P	7:10P	9:13P	—
SF County / NM 599	9:41A	2:36P	7:31P	9:34P	—
Zia Road	9:52A	2:47P	7:42P	9:45P	—
South Capitol	10:00A	2:55P	7:50P	9:53P	—
Santa Fe Depot	10:05A	3:00P	7:55P	9:58P	—

READ DOWN
LEA HACIA ABAJO

ESTACIONES DE TREN

TRAIN STATIONS	#701	#703	#705	#707	#709	#711
Santa Fe Depot	—	10:20A	3:15P	—	8:10P	10:14P
South Capitol	—	10:25A	3:20P	—	8:15P	10:19P
Zia Road	—	10:33A	3:28P	—	8:23P	10:27P
SF County / NM 599	—	10:42A	3:37P	—	8:32P	10:36P
Keewa	—	11:00A	3:55P	—	8:50P	10:54P
Sandoval / US 550	—	11:18A	4:13P	—	9:08P	11:13P
Downtown Bernalillo	—	11:21A	4:16P	—	9:11P	11:16P
Sandia Pueblo	—	11:30A	4:25P	—	9:20P	11:25P
Los Ranchos / JC	—	11:35A	4:30P	—	9:25P	11:30P
Montano	—	11:41A	4:36P	—	9:31P	11:36P
Downtown ABQ	6:56A	11:51A	4:45P	6:51P	9:41P	11:45P
Bernalillo County	7:06A	12:01P	4:56P	7:01P	9:51P	—
Isleta Pueblo	7:14A	12:09P	5:04P	7:09P	9:59P	—
Las Lunas	7:25A	12:20P	5:15P	7:20P	10:10P	—
Belen	7:35A	12:30P	5:25P	7:30P	10:20P	—

READ DOWN
LEA HACIA ABAJO

9:00 Train arrives but does not continue
El tren llega a destino pero no continúa

— —

Means train does not stop
Significa que el tren no se detiene

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Sunday Schedule



ESTACIONES DE TREN

TRAIN STATIONS	#702	#704	#706
Belen	7:50A	12:45P	5:40P
Las Lunas	8:00A	12:55P	5:50P
Isleta Pueblo	8:11A	1:06P	6:01P
Bernalillo County	8:19A	1:14P	6:09P
Downtown ABQ	8:30A	1:25P	6:20P
Montano	8:39A	1:34P	6:29P
Los Ranchos / JC	8:45A	1:40P	6:35P
Sandia Pueblo	8:50A	1:45P	6:40P
Downtown Bernalillo	8:58A	1:53P	6:48P
Sandoval / US 550	9:02A	1:57P	6:52P
Keewa	9:20A	2:15P	7:10P
SF County / NM 599	9:41A	2:36P	7:31P
Zia Road	9:52A	2:47P	7:42P
South Capitol	10:00A	2:55P	7:50P
Santa Fe Depot	10:05A	3:00P	7:55P

READ DOWN
LEA HACIA ABAJO

ESTACIONES DE TREN

TRAIN STATIONS	#701	#703	#705	#707
Santa Fe Depot	—	10:20A	3:15P	8:10P
South Capitol	—	10:25A	3:20P	8:15P
Zia Road	—	10:33A	3:28P	8:23P
SF County / NM 599	—	10:42A	3:37P	8:32P
Keewa	—	11:00A	3:55P	8:50P
Sandoval / US 550	—	11:18A	4:13P	9:08P
Downtown Bernalillo	—	11:21A	4:16P	9:11P
Sandia Pueblo	—	11:30A	4:25P	9:20P
Los Ranchos / JC	—	11:35A	4:30P	9:25P
Montano	—	11:41A	4:36P	9:31P
Downtown ABQ	6:56A	11:51A	4:45P	9:41P
Bernalillo County	7:06A	12:01P	4:56P	—
Isleta Pueblo	7:14A	12:09P	5:04P	—
Las Lunas	7:25A	12:20P	5:15P	—
Belen	7:35A	12:30P	5:25P	—


READ DOWN
LEA HACIA ABAJO

9:00 Train arrives but does not continue
El tren llega a destino pero no continúa

— —

Means train does not stop
Significa que el tren no se detiene

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Bus Connections

The Rail Runner provides fast and reliable transportation along the 100-mile Rio Grande corridor. There are more than 60 bus connections at Rail Runner Stations from Santa Fe to Belen that create a public transportation network extending as far north as Taos and as far south as Socorro. Bus connections by station are provided below:

Rail & Bus Connections Guide

All our bus connections are **FREE** unless otherwise noted

Santa Fe Depot Station

Santa Fe Pick Up - To the Santa Fe Plaza, Downtown Santa Fe, Canyon Road and Museum Hill. Operates daily. Turn left when exiting the train to the shuttle and look for the red truck sign.

Buffalo Thunder Resort & Casino Shuttle - Shuttle stops on Guadalupe right next to Tomacita's Restaurant. Shuttle meets train daily.

Santa Fe Trails Route 2 (Cerrillos Road) - To the West Capitol Complex, the New Mexico School for the Deaf and Santa Fe Place Mall. Connects to 27 Santa Fe Trail (Route 26).

Santa Fe Trails Route 4 (Southside) - To the Santa Fe Convention Center, City and County offices, Santa Fe Place Mall and Santa Fe High School.

Santa Fe Trails Route M (Museum Hill) - Access to the Museum of Spanish Art, Museum of Indian Arts & Culture, Museum of International Folk Art and the Wheelwright Museum of the American Indian.

NORTO Taos Express - To Española and the Town of Taos. Saturdays and Sundays only.

South Capitol Station

Santa Fe Trails Route 2 (Cerrillos Road) - To the West Capitol Complex, the New Mexico School for the Deaf and Santa Fe Place Mall. Connects to 27 Santa Fe Trail (Route 26).

Santa Fe Trails Route 4 (Southside) - To the Santa Fe Convention Center, City and County offices, Santa Fe High School and Santa Fe Place Mall.

South Capitol Shuttle - Weekdays to St. Vincent Hospital, the Rodeo Business Park and the District 5 DOT office.

NM Park & Ride Blue Route - Weekdays to Santa Fe, Pojoaque and Los Alamos.

NM Park & Ride Red Route - Weekdays to Espanola, Pojoaque and Santa Fe.

NM Park & Ride Orange Route - Weekdays between Los Vegas and Santa Fe.

NORTO Route 150 - Weekdays between Santa Fe, Española and Santa Clara Pueblo.

NORTO Route 200 - Weekdays between Santa Fe and Española.

NORTO Route 220 - Weekdays between Santa Fe, Tesuque, Pojoaque and Española.

NORTO Route 280 - Weekdays between Santa Fe, Eldorado, Galisteo, Stanley, Moriarty and Edgewood.

NORTO Route 290 - Weekdays between Santa Fe, Eldorado, Galisteo, Stanley, Moriarty and Edgewood.

NORTO Santa Fe to Taos - Weekdays between Santa Fe and Taos.

NORTO Mountain Trail Route - Daily service to the Santa Fe National Forest and Ski Santa Fe with stops throughout downtown and at 10,000 Waves.

Zia Rd Station

Santa Fe Trails Route 6 (Rodeo Road) - To Christus St. Vincent Regional Medical Center, Rodeo Business Park East, and the Santa Fe Place Mall. Bus stops are located on Zia Road on the east side of St. Francis Drive (no direct service to Zia Rd Station).

Santa Fe County/NM 599 Station

NM 599 Station Shuttle - Weekdays to Blodgett Court, the New Mexican Plaza, Jaguar, Camino Entrada, and Santa Fe Place Mall. Meets most trains.

NORTO Route 270 - Weekdays to the NM Department of Corrections, Ofate Complex (National Guard) and the Santa Fe County Detention Center.

Santa Fe Trails Route 22 - Weekdays to Santa Fe Community College, Rancho Viejo and IALA.

NM Park & Ride Purple Route - Weekday direct connection between the Rail Runner and Los Alamos.

NM Park & Ride Purple Shuttle - Route to connect from the first run of the morning on the NM Park & Ride Purple Bus Route to the South Capitol & Santa Fe Depot Stations. Weekday departure at 5:11 a.m.

Kewa Station at Santo Domingo Pueblo

Rio Metro Route 202 - Weekdays to Bernalillo, Rio Rancho, Santa Ana Pueblo, Algodones, Santo Domingo Pueblo, Cochiti Pueblo and the town of Cochiti Lake.

Black Mesa Casino Shuttle - Meets southbound trains 7 days a week. Call casino for shuttle times.

Sandoval County/US 550 Station

Route 505 - Weekday express service to Downtown Albuquerque before the first southbound train of the morning.

Santa Ana Star Casino Shuttle - Meets every train, seven days a week.

Hollywood Casino Shuttle at San Felipe - Meets northbound trains 7 days a week. Call for shuttle times.

Rio Metro Route 201 - Weekdays to Bernalillo and Enchanted Hills.

Rio Metro Route 202 - Weekdays to Bernalillo, Rio Rancho, Santa Ana Pueblo, Algodones, Santo Domingo Pueblo, Cochiti Pueblo and the town of Cochiti Lake.

Rio Metro Route 204 - Weekdays to Bernalillo, northern Rio Rancho, Zia Pueblo, San Ysidro, James Pueblo and James Springs.

Sandia Pueblo Station

Sandia Resort & Casino Shuttle - Meets every train, seven days a week.

Los Ranchos/Journal Center Station

ABQ RIDE Route 251 - Weekdays to the Journal Center business district, Century 24 Theatre, Cottonwood Mall, Intel and Rio Rancho.

Montaño Station

ABQ RIDE Route 157 - To Cottonwood Mall, Colorado Center, ABQ Uptown and Kirkland Air Force Base.

Downtown Albuquerque Station

ABQ RIDE Rapid Transit 766 Red Line - Express route to access Old Town, the ABQ BioPark, UNM, Nob Hill and Uptown.

ABQ RIDE Rapid Transit 777 Green Line - Express route to access UNM, Nob Hill, and the foothills near Tramway.

ABQ RIDE Route 66 - Access to locations along Central Ave, including Central & Unser Park & Ride, City and County buildings, UNM and EXPO NM.

ABQ RIDE Route 53 - To Isleta Blvd, the Albuquerque Zoo and the National Hispanic Cultural Center.

ABQ RIDE Route 217 - To Central New Mexico Community College (CNM) and Kirkland Air Force Base.

ABQ RIDE Route 250 - Airport Express. Direct route to the Albuquerque International Sunport for passengers coming from and going to Valencia County.

Other ABQ RIDE Routes - There are nearly 40 other ABQ RIDE bus routes that get you just about anywhere in the city.

Bernalillo County Station

ABQ RIDE Route 222 - Weekdays to the South Valley, VA Hospital, Kirkland Air Force Base and the airport business district. Can also be used to access the Albuquerque International Sunport for passengers coming from and going to Valencia County.

Isleta Pueblo Station

Isleta Hotel & Casino Shuttle - A bus meets every train, seven days a week.

Los Lunas

Rio Metro Route 207 - Weekday service for Los Lunas residents to connect to the Rail Runner station and other nearby work centers during peak commute times. Connects to Route 209.

Rio Metro Route 209 - Weekdays between Los Lunas Transportation Center and the UNM Valencia Campus. Connects to Route 207.

Rio Metro Dial-A-Ride - Weekday curb-to-curb service in Valencia County. Rides must be requested by 12 NOON one business day prior. Call 505-352-3595, \$1 each way.

Belen Station

Rio Metro Route 206 - Weekday service for Belen residents to connect to the Rail Runner station and other nearby work centers during peak commute times.

Rio Metro Dial-A-Ride - Weekday curb-to-curb service in Valencia County. Rides must be requested by 12 NOON one business day prior. Call 505-352-3595, \$1 each way.

Socorro Shuttle - Service to Socorro Weekdays and Sundays.


SYSTEM MAP

Please contact the connection provider for fares.

Rio Metro Route 208 - Weekday service from Belen to Downtown Albuquerque, with stops in Los Lunas, Peralta, Bosque Farms and the Pueblo of Isleta, during the morning / midday when the Rail Runner does not operate.

Rail Runner Fares

For SFY 19 RMRTD plans to maintain the current fare structure for the NMRX. The fare structure is presented below:



ZONE-BASED FARES

Schedule Effective April 7th, 2014

(Receive Discount Online)

HOW TO CALCULATE YOUR FARE

Step 1: Count the number of zones
Count the number of zones through which you will travel.

Step 2: Pick the type of fare you need
Do you want a one-way ticket, a day pass, or a monthly or annual pass? Are you eligible for a reduced fare?

Step 3: Check the chart below and see how much your fare is

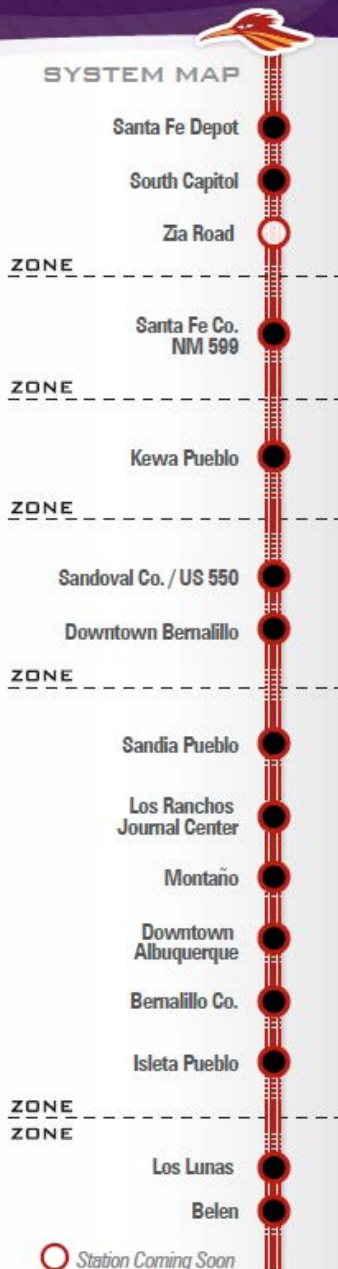
FULL FARE

	one-way	day pass	monthly pass	annual pass
1 zone	\$2	\$3	\$39	\$385
2 zones	\$3	\$4	\$55	\$550
3 zones	\$5	\$6	\$72	\$715
4 zones	\$8	\$9	\$105	\$1045
5 zones	\$9	\$10	\$110	\$1100
6 zones	\$10	\$11	\$121	\$1210

REDUCED FARE

	one-way	day pass	monthly pass	annual pass
1 zone	\$1	\$2	\$19	\$187
2 zones	\$1	\$2	\$28	\$275
3 zones	\$2	\$3	\$36	\$352
4 zones	\$4	\$6	\$52	\$517
5 zones	\$4	\$7	\$55	\$550
6 zones	\$5	\$8	\$61	\$605

SYSTEM MAP



Stations (from top to bottom):

- Santa Fe Depot
- South Capitol
- Zia Road (Station Coming Soon)
- Santa Fe Co. NM 599
- Kewa Pueblo
- Sandoval Co. / US 550
- Downtown Bernalillo
- Sandia Pueblo
- Los Ranchos Journal Center
- Montaño
- Downtown Albuquerque
- Bernalillo Co.
- Isleta Pueblo
- Los Lunas
- Belen

Children 9 and under ride free!

REDUCED FARES ARE AVAILABLE TO

- Youth ages 10-17
- Students with a valid student ID
- Seniors age 62+
- People with disabilities who show:
 - A Medicare card
 - An NM Motor Vehicle Department notification
 - A letter from doctor indicating the disability (with exp. date)
 - An ABQ RIDE Honored Citizen Card
 - A Santa Fe Ride Card or Santa Fe Trails Half Fare Card
 - A disabled veteran ID card

866-795-RAIL (7245) • www.nmrailrunner.com

Customer Service Hours: Mon.-Fri. 5am-10pm | Sat. & Sun. 7am-10pm

○ Station Coming Soon

For on-line purchases, tickets are discounted as follows:

Day pass discounted \$1.00

Monthly pass discounted \$10.00

Annual pass discounted \$10.00

Rio Metro's mobile ticketing application has been released in its full format. Tickets purchased through the mobile application will be sold at the on-line discounted rates to encourage use and reduce on-board ticket sales. Rio Metro plans to retain this fare structure for the mobile ticketing application in SFY 19 and 20.

SECTION 2: NMRX SFY 20 SERVICE PLAN AND OPERATING & CAPITAL BUDGET

The NMRX annual service plan and Operating and Capital budget is prepared within the framework of the Plan. This plan is updated annually. The most recent update was adopted by the Rio Metro Board of Directors in May 2018 with the SFY 19 budget. The Plan also contains a progress report on key Rio Metro capital, operations, planning, administrative and other projects and budget projections for 2020-2025 by fiscal year. The Plan also includes the NMRX Capital Improvement Program (NMRX CIP) which includes a budget forecast and project descriptions for projects from 2020 to 2025 and has the following subsections:

- NMRX Capital Maintenance Plan
- NMRX Grade Crossing Improvement Plan
- NMRX Bridge Repair Plan
- NMRX Desired Capital Project Plan (un-funded)

The budget projections included in the Plan for 2020 to 2025 show there are sufficient funds in a combination of user fees, gross receipts, farebox, local funds and FTA grants to sustain the NMRX and keep the rolling stock and the NMRX corridor in a state of good repair based on the O&M requirements and the Draft NMRX CIP.

It should be noted that the implementation of the federally mandated Positive Train Control (PTC), discussed in greater detail in the following sub-section, presents a strain on the NMRX capital maintenance funds. As a result, the current NMRX CIP reflects a capital maintenance program focused on essential state-of-good-repair activities. For example, funding for tie, ballast and turnout replacements, and bridge and signal materials will remain unchanged, although the scope of locomotive mid-life overhauls will narrow to the “top deck”, i.e., the prime mover and main generator that apply power to the traction motors. Similarly, spending on projects that would enhance Rio Metro’s ability to maintain its assets, such as enclosing the existing train maintenance facility or acquiring a wheel truing machine, will be deferred.

It is important to note that RMRTD’s ability to leverage the FTA grant funds to fully execute the Draft NMRX CIP by providing sufficient local match will be an ongoing challenge. In SFY 19, RMRTD was able to use \$1.2M in FTA 5307 funds (attributable to NMRX operations statistics) to support its bus operations (5307 Operations Support) and return an equivalent amount of gross receipts tax to the NMRX budget in order to fully obligate the FTA funds necessary to complete all projects contained in the NMRX CIP for SFY 18. Similar types of budgeting will be necessary to fully execute the NMRX CIP in years 2020 to 2025, or additional non-federal revenues will need to be identified. The challenges presented by limited local matching funds will be exacerbated if Rio Metro is successful in obtaining additional federal discretionary grant funding as these generally require at least a 20% local match.

NMRX Positive Train Control

PTC is an unfunded federal mandate that must be implemented by December 31, 2018. RMRTD is working simultaneously on three critical paths to equip the state-owned NMRX system with PTC. The first path, amassing the estimated \$57 million to install PTC, is very near completion. This funding package relies on nearly all of Rio Metro’s excess local gross receipts tax revenues, a significant portion of FTA Section 5337

funds, a \$3.6 million FRA/FTA PTC grant, a Grant Anticipation Note (GAN), and a \$10.9 million New Mexico State Infrastructure Bank (SIB) loan. Additionally, Rio Metro is aggressively pursuing federal competitive grants (including two Consolidated Rail Infrastructure and Safety Improvement and the BUILD grant opportunities) to offset the expenditure of state of good repair dedicated federal funds expended on PTC implementation. This financial strategy is an unprecedented effort by Rio Metro, which has never assumed debt to meet any of the NMRX's capital, maintenance or operations needs. With the financial plan in place, PTC implementation is included in the funded section of the Plan.

PTC implementation efforts are the second critical path. These efforts will soon be fully engaged with the execution of a professional services agreement for the design, equipment procurement, and installation of PTC. RMRTD's Request for Proposals for these services closed on April 16, 2018, and contract negotiations are currently underway with Xorail, the firm recommended by the RFP evaluation committee. The RFP and subsequent draft contract specify a turnkey PTC system capable of being in revenue service demonstration by October 31, 2020, and fully implemented by the December 31, 2020 deadline.

RMRTD's third path is ensuring commuter rail service can continue to operate safely, efficiently, and in compliance with the federal mandate after the initial December 31, 2018 deadline and during PTC implementation. To accomplish this, Rio Metro is pursuing a temporary mainline track exemption under 49 CFR § 236.1019(c)(1)(iii). The FRA has been directly involved in identifying this path, the completion of the risk assessment, and the identification of potential risk mitigation efforts. The risk assessment and mitigation plan will demonstrate that rail operations on the NMRX corridor will be operated at a level of safety not less than what would otherwise be allowed under a limited operations exception per section (c)(2).

SFY 2020 Service Plan and Annual Operating and Capital Budget

The SFY 20 budget projections are presented in the same format as the SFY 19 budget. Presented in the Plan and reflecting operations, maintenance and programmed capital project, the SFY 20 budget assumes that RMRTD will be able to use \$1.2M of the FTA 5307 funds for bus operations which will allow for a transfer of \$1.2M in gross receipt tax to the NMRX budget. Even with this transfer, RMRTD will be unable to fully leverage the amount of FTA Grants shown in the RMRTD Short Range Plan - NMRX Capital Maintenance Program Table shown on Page 11. SFY 20 revenues and expenditures also show a significant decrease over the SFY 19 due to the decrease in 5337 revenues and as the funds cease carrying over as they are expended for PTC and as PTC implementation activities recede from their peak in SFY 19.

Rail Revenues
State Fiscal Year (Thousands of Dollars)

Capital & Operating	FY2018 Approved	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025
5307 Large Urban Capital	16,728	17,067	8,745	8,924	9,106	9,292	9,482	9,675
5307 Large Urban Capital Carryover	200							
5307 Large Urban Oper. Transfer to Bus	-1,200	-1,200	-1,200	-1,200	-1,200	-1,200	-1,200	-1,200
5307 Small Urban	155	155	155	155	155	155	155	155
5337 State of Good Repair	16,902	17,285	8,706	8,837	8,969	9,104	9,240	9,379
5337 State of Good Repair Carryover		7,724						
5309 TAM Carryover	317	240						
STP-U PTC and Wi-Fi	529	529						
STP-U Alameda Siding	1,108	1,367						
Flex Fund Carryover	125	95						
State Bridge Repair/Replacement	360						250	250
Section 130/Crossing Improvements	860	825	415	768	315	265	185	200
BNSF/Amtrak Gross Ton Mile Fee	2,200	2,200	2,233	2,266	2,300	2,335	2,370	2,406
Rio Metro/NCRTD GRT	14,500	14,500	14,790	15,086	15,388	15,695	16,009	16,329
Farebox	2,200	2,200	2,222	2,244	2,267	2,289	2,312	2,335
GRT From Bus	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200
PTC Discretionary Grant	3,600	3,600						
PTC CRISI Grant (applications due 6/2018)		10,000	Does not count against totals below. Would defray bonds if awarded					
State Infrastructure Bank (SIB) Loan		10,900						
Bond Proceeds		16,475						
Cash Reserves (GRT)		4,955						
Projected Carryover (Grant/GRT/Bond/SIB)			31,486	15,706	21,134	25,340	29,479	33,344
TOTAL REVENUES	59,785	100,117	68,752	53,986	59,634	64,475	69,482	74,073

Rail Costs
State Fiscal Year (Thousands of Dollars)

	FY2018							
Operations & Maintenance	Approved	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025
Salaries & Benefits	1,400	1,442	1,485	1,530	1,576	1,623	1,672	1,722
Professional Services	25	26	27	28	28	29	30	31
Non-Professional Services	25	26	27	28	28	29	30	31
Communication	600	618	637	656	675	696	716	738
Utilities	450	454	468	482	496	511	526	542
Travel	15	15	15	16	16	17	17	18
Indirect Overhead (MRCOG)	225	311	321	330	340	350	361	372
Printing/Supplies	25	26	27	28	28	29	30	31
Insurance	3,000	3,000	3,090	2,150	2,215	2,281	2,349	2,420
Fuel	2,600	2,600	2,678	2,758	2,841	2,926	3,014	3,105
Vehicle Maintenance	16	16	16	17	17	18	19	19
Herzog Transit Contract	17,500	17,500	18,025	18,566	19,123	19,696	20,287	20,896
Rental Expenses	215	215	221	228	235	242	249	257
TOTAL O&M COSTS	26,096	26,249	27,037	26,815	27,620	28,448	29,302	30,181
PTC Debt Service	FY2018 Appro	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025
Bond Principal Repayment (5337, 10-yr, 4%)		1,372	1,427	1,484	1,544	1,605	1,670	1,736
Bond Interest Repayment (5337, 10-yr, 4%)		659	604	547	488	426	362	295
SIB Loan Repayment (GRT, 18-yr, 1%)		109	109	109	786	786	786	786
TOTAL PTC DEBT SERVICE COSTS		2,140	2,140	2,140	2,817	2,817	2,817	2,817
Capital	FY2018 Appro	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025
NMRX Capital Maintenance Program	7,076	2,423	2,623	2,423	3,423	3,423	3,423	3,393
Grade Crossing Improvement Program	860	825	170	1,320	278	150	185	200
Bridge Repair and Replacement Program	360	110	180	30	30	30	280	280
PTC Discretionary Grant	4,500							
NMRX Positive Train Control & Wi-Fi	1,727	34,500	20,500					
TAM Plan	396	300						
Security Projects	135	105	121	123	126	128	131	134
Rehab/Renovate Rail Stations	156	111						
Alameda Siding	1,297	1,600						
Wi-Fi/Signal Lease (incl. some O&M)	267	267	275					
Mobile Ticketing (GenFare)	221							
TOTAL CAPITAL COSTS	16,996	40,241	23,869	3,896	3,857	3,731	4,019	4,007
TOTAL COSTS	43,092	68,630	53,046	32,852	34,294	34,997	36,138	37,004
PROJECTED CARRYOVER		31,486	15,706	21,134	25,340	29,479	33,344	37,069
Grant Carryover		12,761	15,706	21,134	25,340	29,479	33,344	37,069
GRT/Bond/SIB Carryover		18,724						

NMRX Capital Maintenance Program

The capital maintenance program is central to RMRTD's state of good repair efforts. Generally consuming most of RMRTD's 5337 state of good repair funds (supplemented with 5307 Large Urban funds), it is the largest of the four component programs. A description of each project is provided in the Plan.

RMRTD will make every effort to fully match the FTA grant monies to complete the NMRX Capital Maintenance Plan as budgeted, and will look for all budgeting opportunities across all its services to provide the necessary match. The SFY 2020 budget also takes a conservative approach on estimating non-federal revenue sources. RMRTD will track these sources throughout SFY 20, and will make adjustments based on current trends. Additionally, RMRTD will look for other non-federal revenue opportunities to augment the SFY 20 budget. In the event that the full budget amount for the NMRX Capital Maintenance Plan cannot be realized, RMRTD will work with NMDOT to adjust the NMRX Capital Maintenance Plan to reflect the reduced amount of revenue for this category.

Project ID	Project	Unit	Unit Cost	Year 1 Cost	Year 2 Cost	Year 3 Cost	Year 4 Cost	Year 5 Cost	Year 6 Cost	Year 7 Cost	7 Year Total
CM-1	HVAC Overhaul/Conversion	44	\$20,000	\$130,000	\$130,000	\$130,000	\$130,000	\$130,000	\$130,000	\$100,000	\$880,000
CM-4	Head End Power (HEP) Overhaul	1/Year	\$160,000	\$160,000	\$160,000	\$160,000	\$160,000	\$160,000	\$160,000	\$160,000	\$1,120,000
CM-5	Locomotive Top Deck Overhaul 101	1	\$400,000				\$400,000				\$400,000
CM-6	Locomotive Top Deck Overhaul 102	1	\$400,000				\$400,000				\$400,000
CM-7	Signal Component Repr. (Material Only)	Annual Cost	\$189,000	\$189,000	\$189,000	\$189,000	\$189,000	\$189,000	\$189,000	\$189,000	\$1,323,000
CM-8	COT&S Cab and Coach Cars	Annual Cost	\$170,000	\$170,000	\$170,000	\$170,000	\$170,000	\$170,000	\$170,000	\$170,000	\$1,190,000
CM-10	Ties (Material Only)	11,500/Year	Varies	\$800,000	\$1,000,000	\$800,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$6,600,000
CM-11	Ballast (Material Only)	10,000 Tons/Year	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$1,400,000
CM-12	Bridge Components (Material Only)	N/A	\$30,000	\$110,000	\$180,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$440,000
CM-13	Frog Replacement	5/Year	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$350,000
CM-14	Emergency Drainage Cleanout	Annual Cost	\$80,000	\$80,000	\$80,000	\$80,000	\$80,000	\$80,000	\$80,000	\$80,000	\$560,000
CM-15	Fencing (Material Only)	10 Miles/Year	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$350,000
CM-16	Wheel Replacement	15/Year	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$350,000
CM-17	Traction Motor Repair	~8 Repairs/Year	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$1,400,000
CM-22	Locomotive Top Deck Overhaul 103	1	\$400,000					\$400,000			\$400,000
CM-23	Locomotive Top Deck Overhaul 104	1	\$400,000					\$400,000			\$400,000
CM-24	Locomotive Top Deck Overhaul 105	1	\$400,000						\$400,000		\$400,000
CM-25	Locomotive Top Deck Overhaul 106	1	\$400,000						\$400,000		\$400,000
CM-26	Locomotive Top Deck Overhaul 107	1	\$400,000							\$400,000	\$400,000
CM-27	Locomotive Top Deck Overhaul 108	1	\$400,000							\$400,000	\$400,000
CM-28	Locomotive Top Deck Overhaul 109	1	\$400,000								\$0
CM-30	Coupler Replacement	4/Year	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$140,000
CM-36	Locomotive Turbo Replacement	1/Year	\$24,000	\$24,000	\$24,000	\$24,000	\$24,000	\$24,000	\$24,000	\$24,000	\$168,000
CM-44	Other Track Material	Annual Cost	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$350,000
CM-PM/M	On-going PM/MOE/MOW		\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$1,750,000
CM Program Total Cost				\$2,533,000	\$2,803,000	\$2,453,000	\$3,453,000	\$3,453,000	\$3,453,000	\$3,423,000	\$21,571,000

SFY 2019 Service Plan

RMRTD does not anticipate any changes in the NMRX service for SFY 19 or 20. Based on the current status of the safety assessment, the Risk Mitigation Plan, and the implementation or risk mitigation measures, Rio Metro believes that the NMRX service will continue per the current schedule through the year.

RMRTD does not anticipate any changes in the NMRX fare structure for SFY 19 or SFY 20. The fare structure as presented for SFY 19 in this report will remain in place for SFY 20.

SECTION 3: UPDATE AND STATUS OF OPERATIONAL ELEMENTS (SFY 19) INCLUDING NMRX MAJOR AGREEMENTS AND PROPERTY OWNERSHIP STATUS

There have been no material changes to current mechanisms and processes implemented to ensure that the use of NMDOT-owned rail right of way, rolling stock and other equipment and expenditures of public money

for the planning, design, construction, maintenance, repair, operation, management and administration of commuter rail service in the NMRX corridor are in the best interest of the public.

RMRTD and NMDOT have a shared interest in addressing the federal PTC requirements in a timely and cooperative manner in order to assure that the NMRX service complies with the PTC regulations and deadlines. RMRTD and NMDOT agreed by letter dated March 3, 2016 that RMRTD would take the lead role in addressing the PTC requirements and pursuing alternatives to the PTC requirements that may be available, such as the limited operations and temporal separation exceptions. While the Federal Railroad administration denied RMRTD's request for a Limited Operations Exemption which would have allowed commuter rail operations to continue at their current level without the implementation of PTC, the FRA recommended that a safety analysis be completed and a risk mitigation plan be developed. RMRTD is in the process of finalizing the risk mitigation plan and submitting it to the FRA. Upon acceptance by the FRA, RMRTD will be permitted to continue the current level of Rail Runner service while PTC is being implemented.

In order to address the limited local funds required to match the federal funds assembled for the implementation of PTC, RMRTD secured a \$10.9 million State Infrastructure Bank (SIB) loan. The loan was approved by RMRTD's Board of Directors on April 20, 2018 and by the NMDOT Transportation Commission on May 17, 2018 on the condition that no SIB loan proceeds will be disbursed to RMRTD until the full \$55 million is secured. The SIB loan effectively functions as local match to the Section 5337 funds because it will be paid back using RMRTD's locally generated GRT over an 18-year period at 1 percent interest.

The NMRX MOA between RMRTD and NMDOT executed in SFY 2014 calls for establishing and reporting on NMRX Performance Targets. RMRTD and NMDOT are awaiting FTA establishment of performance measures prior to setting NMRX Performance Targets.

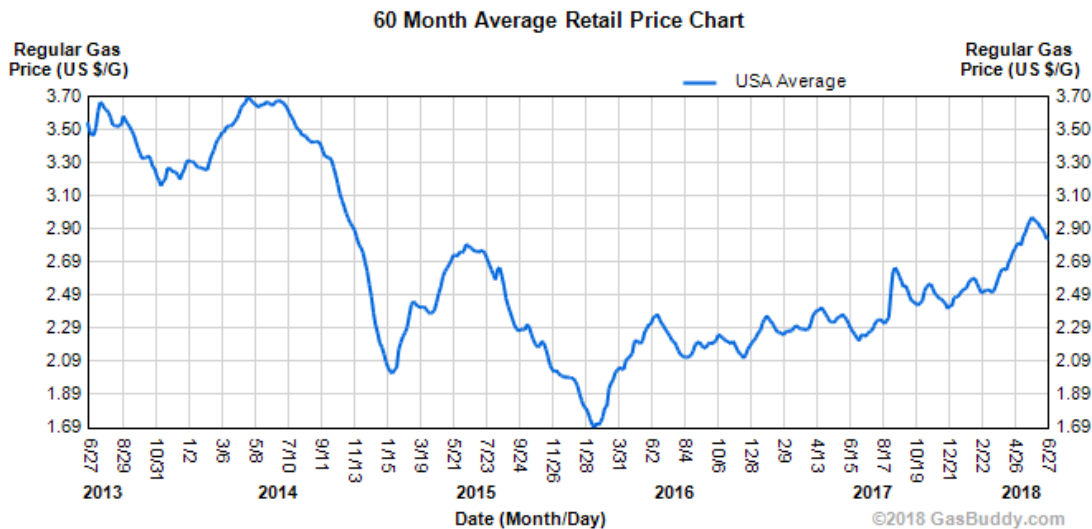
3-Year Ridership Data

On time performance for SFY 2018 is 96%. The tables that follow give the monthly ridership for SFY 2016 thru SFY 2018 and the average weekday, Saturday and Sunday ridership for the same period

COMMUTER RAIL PASSENGER TRIPS, SFY 2016 - 2018			
	SFY 16	SFY 17	SFY 18
July	87,380	74,709	71,221
August	79,582	77,014	74,092
Sept	82,929	76,083	65,425
Oct.	84,185	78,205	76,378
Nov.	64,384	61,634	60,977
Dec.	68,169	64,007	59,419
January	65,487	61,424	58,496
Feb	71,195	65,876	58,056
March	75,630	75,757	66,570
April	67,701	64,276	62,235
May	68,809	67,050	66,348
June	71,770	69,526	67,899
Total	887,212	835,561	787,116

COMMUTER RAIL, AVERAGE NUMBER OF PASSENGER TRIPS, SFY 2016 - 2018			
	SFY 16	SFY 17	SFY 18
Weekdays	2,990	2,810	2,633
Saturdays	1,410	1,441	1,267
Sundays	938	880	931

Annual ridership is down approximately 5.8% for SFY 2018 compared to SFY 2017. RMRTD believes a combination of internal and external factors contributed to this reduction. External factors include low gasoline prices, low rates of population growth, the reduction of the number of jobs within a 15 minute walk of a Rail Runner station, and an increase in parking availability. Internal factors – those which are generally under the purview of RMRTD to influence – include variables such as headways (service frequency), travel times, and safety. While RMRTD is taking actions to address the internal factors and increase ridership, the agency's ability to complete the critical capital projects and operations changes is constrained due to limited financial resources.



In order to grow ridership, NMRX will need to work at reducing travel times and increasing travel time reliability. Additionally, NMRX and RMRTD will need to look at how services can be modified to better serve the changing workforce. This said, with the financial strain of PTC implementation placed on the agency a number of service improvement projects envisioned in previous years have been pushed to later years.

RMRTD Pending and Threatened Litigation – As of June 25, 2018

David Ytuarte: Bicycle Accident, on the Santa Fe Trail Bike at the intersection with Siringo Rd. between 5th St. and Calle Lorca, Santa Fe, NM.

1. The alleged accident occurred on November 30, 2014. Mr. Ytuarte was riding his bicycle on the bike path. There was construction being performed on the bike path. Mr. Ytuarte rode into a hole in the path and fell from his bike, injuring his shoulder requiring surgery.
2. A notice of tort claim has been filed. RMRTD received an inspection of public request on May 2, 2016 requesting documents related to the claim.
3. NMDOT is aware of the claim. A lawsuit has been filed. State of NM General Services has assigned trial counsel. A tender of defense has been served on Herzog Transit Services.

Roy Townsend Jr.: Fatality, 210 Ft. East of Avenida Perea/Don Anders, Bernalillo, NM

1. The incident occurred on February 23, 2015 when Mr. Townsend was struck and killed by an Amtrak train, resulting in his death.
2. A notice of tort claim was filed and received on May 28, 2015. The notice alleges Mr. Townsend was struck by a New Mexico Rail Runner Express train. During the investigation, we expect the Plaintiff will discover the actual collision and fatality occurred between an Amtrak train and Mr. Townsend.
3. NMDOT is aware of the claim. No lawsuit has been filed.

Bruce Hamilton: Bicycle Accident, St. Francis and Zia Rd.

1. Incident occurred on 02-21-17. Mr. Hamilton was riding on the bicycle path and his front tire fell into an uncovered, unprotected utility box that was open while a Rio Metro employee was working in the box. Mr. Hamilton suffered injuries.
2. A notice of Tort Claim was filed and received on 03-12-17.
3. NMDOT has been notified of the claim.

Emile Sawyer: Bicycle Accident crossing tracks at Cerillos/St. Francis

1. Incident occurred on 2-22-17 when Mr. Sawyer was riding his bicycle across the tracks. He alleges the front tire of his bicycle fell between the tracks and the roadway and he was thrown to the ground causing his injuries (broken arm).
2. A notice of tort claim was filed and received on May 18, 2017.
3. NMDOT is aware of the claim. An investigation has been opened by Risk Management, claim number 1700822-000.

Ken Ryan

1. Incident occurred 11/22/2016. Claimed injury after becoming entangled in cable for gate at Los Lomas crossing.
2. Denial of claim issued January 17, 2017. We have no record of a lawsuit being filed.

Peter Chacon

1. Incident occurred 9/30/2016. Claimed vehicle was stolen from US 550 parking lot and was damaged beyond repair when recovered.
2. Denial of claim issued November 21, 2016. We have no record of a lawsuit being filed.

Alice Quintana

1. Incident occurred 5/3/2016. Slipped and fell while exiting train at Kewa.
2. The claim is currently in litigation. We are still in the discovery process of the litigation with a deposition of the plaintiff anticipated in late July 2018.

Suzette Brewer

1. Incident occurred on May 17, 2018. Ms. Brewer was riding her bicycle on the bike path along Cerrillos Rd approaching the intersection with St. Francis Dr. When Ms. Brewer crossed the railroad tracks on her bicycle, the front tire of the bicycle allegedly caught in the tracks. Ms. Brewer "crashed" on her bicycle.
2. Notice of Tort Claim was received on June 1, 2018. RMRTD has no previous records regarding the incident nor was the accident reported prior to receipt of the tort claims notice.

Appendix A

Rio Metro Regional Transit District

Short Range Plan

FY2013 - FY2017

Addendum 6, May 2018



RIO METRO
REGIONAL TRANSIT DISTRICT

FY2019 Budget & FY2020-FY2025 Projections

Short Range Plan Progress Report

NMRX Capital Improvement Program

RMRTD Infrastructure Capital Improvement Plan

Table of Contents

Section 1: FY2019 Budget and FY2020-FY2025 Projections	2
Section 2: Short Range Plan Progress Report	8
Section 3: New Mexico Rail Runner Express (NMRX) Capital Improvement Program	23
Section 4: Rio Metro Regional Transit District Infrastructure Capital Improvement Plan	41



The FY2013-FY2017 RMRTD Short Range Plan was originally adopted by the Board of Directors on December 21, 2012. It was updated annually as follows:

- Addendum 1 joined the budget with an accompanying Short Range Plan Progress Report;
- Addendum 2 introduced the New Mexico Rail Runner Express Capital Improvement Program (NMRX CIP), a federally-mandated document that describes how certain funds are spent to maintain the Rail Runner in a state of good repair;
- Addendum 3 added the RMRTD Infrastructure Capital Improvement Plan (ICIP), which prioritizes unfunded and underfunded projects previously vetted in the Short Range Plan and NMRX CIP for inclusion into the State of New Mexico's five-year coordinated ICIP;
- Addendum 4 incorporated implementation tactics from the Long-Term Strategic Vision Plan; and
- Addendum 5 expanded upon the Short Range Plan Progress Report by including agency-wide accomplishments from the previous fiscal year and project/program goals for the upcoming fiscal year.

This addendum makes minor changes to the structure of the plan, foremost by reflecting the prioritized list of projects from the ADA Transition Plan prepared for the New Mexico Rail Runner Express. The plan is also unmistakably shaped by Positive Train Control (PTC), a congressionally-mandated system designed to protect against train-on-train collisions, overspeed derailments, work zone incursions, and movements through red signals and misaligned switches. The interim deadline for PTC implementation (hardware installation) is December 31, 2018, and the final deadline for full implementation is December 31, 2020. Accordingly, Rio Metro administrative staff has developed a financial plan to amass the estimated \$55 million required to implement PTC on the Rail Runner corridor. Staff has also been finalizing a risk mitigation plan that would, pending FRA approval, allow the Rail Runner to maintain its current level of service beyond the interim deadline while Rio Metro implements PTC.

In order for both the PTC financial plan and Rio Metro's broader budget to balance, nearly all excess gross receipts tax (GRT) revenues—except what is necessary to support existing operations levels, critical maintenance needs, and previously programmed capital projects—is going towards PTC. Furthermore, a significant chunk of FTA 5337 formula funds is reallocated to PTC, such that even though Rio Metro's 5337 apportionment increased from approximately \$4.5 million to \$8 million in FY2017, 5337 spending on non-PTC, state-of-good repair (SGR) projects will actually decrease from approximately \$4.5 million historically to \$2.5 million over the next three years. To accomplish this, significant capital maintenance projects, like locomotive overhauls, will be delayed a few years and the scope of those overhauls will be reduced. In later years, 5337 spending on SGR projects will increase to approximately \$3.5 million while PTC debt is being serviced by 5337 funds—an amount that remains well below Rio Metro's previous 5337 capital maintenance expenditures and new 5337 apportionment levels. In short, the Rail Runner will undoubtedly benefit from the enhanced safety that PTC provides, but it will mean several years in which its assets are not maintained or improved to a level that Rio Metro would desire.



Section 1: FY2019 Budget and Projections

Rio Metro's budget is divided into two sections based on mode: the first accounts for the New Mexico Rail Runner Express (Rail Runner); the second accounts for all other transit (e.g., bus) and administrative services.

Rail Runner Budget (only FY2019 adopted)

The FY2019 budget for the Rail Runner is \$110.1 million in revenues and \$68.6 million in expenditures. The \$31.5 million revenues shown are largely federal funds carried over, in addition to federal funding to be received in FY2019. While revenues in each of the six out years (FY2020-FY2025) reflect only one year of federal funding, the balance in FY2019 will continue to roll forward unless additional matching funds become available or an emergency warrants the use of both these funds and the GRT reserve as match.

Additionally, much of this carryover comes from Positive Train Control (PTC) funding that has already been or will be secured in late FY2018/early FY2019 and spent through FY2020. These funds include an FY2017 FRA PTC grant, State Infrastructure Bank (SIB) Loan, bond proceeds, reserved gross receipts tax (GRT), and a potential Consolidated Rail Infrastructure and Safety Improvements (CRISI) Program grant opportunity.

Costs are categorized into Operations and Maintenance (O&M) and Capital budgets. O&M costs for FY2019 are \$26.2 million. As with previous years, the FY2019 budget reflects an unchanged level of service; therefore, across-the-board costs have remained relatively constant and are projected to increase by only three percent annually. Capital costs (\$40.2 million) are largely associated with the capital maintenance needs outlined in the NMRX CIP (Section 3) and PTC. Finally, PTC debt service payments (\$2.1 million) will begin in FY2019.

Rail Revenues

Capital & Operating	State Fiscal Year (Thousands of Dollars)							
	FY2018 Approved	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025
5307 Large Urban Capital	16,728	17,067	8,745	8,924	9,106	9,292	9,482	9,675
5307 Large Urban Capital Carryover	200							
5307 Large Urban Oper. Transfer to Bus	-1,200	-1,200	-1,200	-1,200	-1,200	-1,200	-1,200	-1,200
5307 Small Urban	155	155	155	155	155	155	155	155
5337 State of Good Repair	16,902	17,285	8,706	8,837	8,969	9,104	9,240	9,379
5337 State of Good Repair Carryover		7,724						
5309 TAM Carryover	317	240						
STP-U PTC and Wi-Fi	529	529						
STP-U Alameda Siding	1,108	1,367						
Flex Fund Carryover	125	95						
State Bridge Repair/Replacement	360						250	250
Section 130/Crossing Improvements	860	825	415	768	315	265	185	200
BNSF/Amtrak Gross Ton Mile Fee	2,200	2,200	2,233	2,266	2,300	2,335	2,370	2,406
Rio Metro/NCRTD GRT	14,500	14,500	14,790	15,086	15,388	15,695	16,009	16,329
Farebox	2,200	2,200	2,222	2,244	2,267	2,289	2,312	2,335
GRT From Bus	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200
PTC Discretionary Grant	3,600	3,600						
PTC CRISI Grant (applications due 6/2018)		10,000	Does not count against totals below. Would defray bonds if awarded.					
State Infrastructure Bank (SIB) Loan		10,900						
Bond Proceeds		16,475						
Cash Reserves (GRT)		4,955						
Projected Carryover (Grant/GRT/Bond/SIB)			31,486	15,706	21,134	25,340	29,479	33,344
TOTAL REVENUES	59,785	100,117	68,752	53,986	59,634	64,475	69,482	74,073

Rail Costs		State Fiscal Year (Thousands of Dollars)						
Operations & Maintenance	FY2018 Approved	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025
Salaries & Benefits	1,400	1,442	1,485	1,530	1,576	1,623	1,672	1,722
Professional Services	25	26	27	28	28	29	30	31
Non-Professional Services	25	26	27	28	28	29	30	31
Communication	600	618	637	656	675	696	716	738
Utilities	450	454	468	482	496	511	526	542
Travel	15	15	15	16	16	17	17	18
Indirect Overhead (MRCOG)	225	311	321	330	340	350	361	372
Printing/Supplies	25	26	27	28	28	29	30	31
Insurance	3,000	3,000	3,090	2,150	2,215	2,281	2,349	2,420
Fuel	2,600	2,600	2,678	2,758	2,841	2,926	3,014	3,105
Vehicle Maintenance	16	16	16	17	17	18	19	19
Herzog Transit Contract	17,500	17,500	18,025	18,566	19,123	19,696	20,287	20,896
Rental Expenses	215	215	221	228	235	242	249	257
TOTAL OPERATIONS & MAINTENANCE COSTS	26,096	26,249	27,037	26,815	27,620	28,448	29,302	30,181
PTC Debt Service	FY2018 Approved	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025
Bond Principal Repayment (5337, 10-yr, 4%)		1,372	1,427	1,484	1,544	1,605	1,670	1,736
Bond Interest Repayment (5337, 10-yr, 4%)		659	604	547	488	426	362	295
SIB Loan Repayment (GRT, 18-yr, 1%)		109	109	109	786	786	786	786
TOTAL PTC DEBT SERVICE COSTS		2,140	2,140	2,140	2,817	2,817	2,817	2,817
Capital	FY2018 Approved	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025
NMRX Capital Maintenance Program	7,076	2,423	2,623	2,423	3,423	3,423	3,423	3,393
Grade Crossing Improvement Program	860	825	170	1,320	278	150	185	200
Bridge Repair and Replacement Program	360	110	180	30	30	30	280	280
PTC Discretionary Grant	4,500							
NMRX Positive Train Control & Wi-Fi	1,727	34,500	20,500					
TAM Plan	396	300						
Security Projects	135	105	121	123	126	128	131	134
Rehab/Renovate Rail Stations	156	111						
Alameda Siding	1,297	1,600						
Wi-Fi/Signal Lease (incl. some O&M)	267	267	275					
Mobile Ticketing (GenFare)	221							
TOTAL CAPITAL COSTS	16,996	40,241	23,869	3,896	3,857	3,731	4,019	4,007
TOTAL COSTS	43,092	68,630	53,046	32,852	34,294	34,997	36,138	37,004
PROJECTED CARRYOVER		31,486	15,706	21,134	25,340	29,479	33,344	37,069
Grant Carryover		12,761	15,706	21,134	25,340	29,479	33,344	37,069
GRT/Bond/SIB Carryover		18,724						

Transit Budget (only FY2019 adopted)

While the Rail Runner is obviously a mode of public transit, “transit” here refers to all other Rio Metro and partner services, including:

- Sandoval County commuter bus routes and Route 366 in Bernalillo County;
- Valencia County Dial-a-Ride, Pueblo of Isleta Dial-a-Ride and commuter bus routes;
- Rio Rancho Dial-a-Ride for seniors and individuals with disabilities;
- Community transportation demand taxi service;
- Bike share program;
- ABQ RIDE fixed route services;
- NMDOT Park & Ride Purple Route, which replaces an early morning Rail Runner train and connects the Santa Fe County/NM 599 Rail Runner Station to Los Alamos; and
- Rio Metro staff in the Administration and Finance, Marketing and Customer Service, Planning and Transit divisions.

The FY2019 transit budget is comprised of \$21.4 million in revenues, \$19.3 million in expenditures and preserves the \$5 million cash reserve established in FY2015. Unlike the Rail Runner, which has significant capital commitments, the transit budget largely funds operations, maintenance and administration. Nevertheless, the transit budget contains some planning and capital investments, including University Corridor Transit project development and transit-oriented development activities, the expansion of the Los Ranchos/Journal Center Rail Runner Station, and the expansion of the bike share program.

Transit Revenues		State Fiscal Year (Thousands of Dollars)						
Capital & Operating	FY2018 Approved	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025
5307 Small Urban	720	760	775	790	806	822	839	855
5307 Large Urban from Rail 50/50	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200
5307 Large Urban from Rail 50/50 Carryover	2,201	1,500						
5307 Large Urban Community Transportation	191	191	191	191	191	191	191	191
Subtotal, Urban Funds	4,313	3,651	2,166	2,181	2,197	2,213	2,230	2,246
5310/5311 Vehicle Purchase	647	72	220	222		1,047		
5311 Rural Operations	800	850	863	876	889	902	916	930
Subtotal, Rural Funds	1,447	922	1,083	1,098	889	1,949	916	930
CMAQ TDM/Marketing	271	178	273	281				
CMAQ Los Ranchos/Journal Center Stn. Expansion	900	900						
CMAQ UNM/CNM BRT Project Dev./PPTOD	1,547	1,547						
TAP Bike Share Program	511	511	563					
Subtotal, Discretionary Funds	3,229	3,136	836	281				
TOTAL FEDERAL AND STATE REVENUES	8,989	7,708	4,084	3,560	3,086	4,163	3,146	3,176
Projected Carryover	3,296	1,625	2,149	3,728	5,466	7,124	8,606	10,434
Farebox	75	90	91	92	93	94	95	96
Advertising	85	88	91	93	96	99	102	105
Rio Metro GRT	12,000	12,300	12,546	12,797	13,053	13,314	13,580	13,852
Rio Metro GRT to Rail	-1,200	-1,200	-1,200	-1,200	-1,200	-1,200	-1,200	-1,200
UNM/CNM/Sunport BRT Partners	800	800						
TOTAL LOCAL REVENUES	15,056	13,703	13,677	15,510	17,508	19,431	21,183	23,286
TOTAL REVENUES	24,044	21,411	17,761	19,071	20,594	23,593	24,328	26,462

Transit Costs		State Fiscal Year (Thousands of Dollars)						
Operations & Maintenance	FY2018 Approved	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025
Sandoval County Commuter Bus	1,400	1,470	1,514	1,560	1,606	1,654	1,704	1,755
Rio Rancho Dial-a-Ride	1,000	700	721	743	765	788	811	836
Subtotal, Sandoval County	2,400	2,170	2,235	2,302	2,371	2,442	2,516	2,591
Valencia County Dial-a-Ride and Fixed Route	1,800	1,500	1,545	1,591	1,639	1,688	1,739	1,791
Subtotal, Valencia County	1,800	1,500	1,545	1,591	1,639	1,688	1,739	1,791
ABQ Ride	4,755	4,500	4,755	4,755	4,755	4,755	4,755	4,755
Community Transportation	382	382	382	382	382	382	382	382
Subtotal, Bernalillo County	5,137	4,882	5,137	5,137	5,137	5,137	5,137	5,137
Routes 505A and 366	170	175	180	186	191	197	203	209
NMDOT Purple Route	142	145	149	154	158	163	168	173
Pueblo of Isleta Partnership	200	233						
Subtotal, Regional Commuter	512	553	330	339	350	360	371	382
Administrative Overhead	2,400	2,400	2,472	2,546	2,623	2,701	2,782	2,866
Indirect Overhead (MRCOG)		1,245						
TDM/Marketing	1,000	1,000	1,030	1,061	1,000	1,000	1,000	1,000
Ski Santa Fe (NCRTD)	15	15						
UNM/CNM/Sunport BRT Project Dev./TOD	1,856	1,856						
UNM/CNM/Sunport BRT Partners	800	800						
RMRTD Studies and Plans	150	150	150	150	150	150	150	150
MRMPO Assistance	200	200	200	200	200	200	200	200
Bike Share Program	598	598	659					
Subtotal, Administration, Planning and Programs	7,020	8,264	4,511	3,957	3,973	4,051	4,132	4,216
TOTAL OPERATIONS & MAINTENANCE COSTS	16,869	17,369	13,758	13,327	13,470	13,679	13,895	14,117
Capital	FY2018 Approved	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025
Valencia County Facility	750	750						
Rio Metro Vehicle Purchase	809	90	275	278		1,309		
Los Ranchos/Journal Center Station Expansion	1,053	1,053						
TOTAL CAPITAL COSTS	2,612	1,893	275	278	0	1,309	0	0
TOTAL COSTS	19,481	19,262	14,033	13,605	13,470	14,988	13,895	14,117
PROJECTED FUND BALANCE		7,149	8,728	10,466	12,124	13,606	15,434	17,345
Cash Reserve		5,000	5,000	5,000	5,000	5,000	5,000	5,000
Projected Carryover		2,149	3,728	5,466	7,124	8,606	10,434	12,345



Section 2: Short Range Plan Progress Report

Introduction

Rio Metro's successes depend upon the contributions of its seven divisions. Accordingly, each division has a unique purpose and role:

- **Administration:** The executive director and the director provide agency-wide vision and leadership; communicate Rio Metro's needs and interests to state and federal legislators and other elected officials; and manage projects with far-reaching impacts (e.g., Positive Train Control).
- **Rail:** The Rail Division oversees the operations and maintenance of the New Mexico Rail Runner Express, which includes managing Herzog Transit Services (the operator); dispatching trains; maintaining stations and other facilities; ensuring compliance with FRA regulations; coordinating with tenant railroads, BNSF and Amtrak; and providing rail safety training.
- **Transit:** The Transit Division operates the Community Transportation demand taxi program; commuter bus services in Bernalillo, Sandoval and Valencia counties; and dial-a-ride services in Rio Rancho, Valencia County and Pueblo of Isleta.
- **Finance:** The Finance Division develops and amends the budget; completes the annual audit; handles accounts payable and receivable; reports to the National Transit Database (NTD); and drafts, updates and closes out grants in FTA's Transit Awards Management Systems (TrAMS).
- **Marketing and Customer Service:** Besides transit operators, no other division interacts with Rio Metro's customers more regularly. The Marketing and Customer Service Division staffs the customer service phone lines; updates the website; manages the social media platforms (Facebook, Instagram and Twitter accounts); publishes schedules and e-newsletters; promotes Rio Metro's services through various channels; sells advertising space; sponsors/partners with major community events; and manages the Freedom Pass and Smart Business Partnership programs.
- **Planning:** The Planning Division develops short, long range, and project-specific plans; participates in capital project development; evaluates the performance of and implements revisions to existing services; helps implement new services; and pursues grants and other discretionary funds.
- **MRCOG Support:** Several MRCOG employees provide supporting services to Rio Metro including public relations, time keeping and payroll, procurement, legal counsel, human resources, information technology, and board administration. Sharing these employees with other MRCOG agencies (e.g., MRMPO) helps reduce administrative costs.

While the above divisions have considerable day-to-day responsibilities, the following lists of key accomplishments and goals highlight Rio Metro's major project and programmatic priorities. Many of these efforts are also included in the subsequent project tables that began with the FY2013-FY2017 Short Range Plan and have been updated on an annual basis. Where applicable, the project number from the project tables is also provided with the accomplishment/goal.

FY2018 Accomplishments

- Significantly advanced the implementation of Positive Train Control (PTC) and efforts to maintain operations during implementation, including 1) a financial plan to fund PTC implementation without reducing operations or increasing member government contributions; 2) an RFP for design and construction; and 3) with the participation of NMDOT, BNSF, Amtrak and others, a risk mitigation plan that achieves a level of safety acceptable to the FRA to continue current levels of operations during PTC implementation (Administration, Operations, Finance, Planning; 1.A.6)
- Replaced jointed rail with continuous welded rail between the North Valley and Town of Bernalillo (Rail; 1.B.2)
- Coordinated the bike share program with the City of Albuquerque, Bernalillo County, and the community to identify potential bike share station locations between Downtown and Nob Hill. Phase I expansion, including 50 stations and 250 bicycles, launched in April 2018. (Administration; 2.C.4)
- Using TIGER funding secured by the NMDOT, Rio Metro installed 21,000 ties on a section of Amtrak used track and ensured reasonable train speeds were maintained.
- Updated Rio Metro's website, integrating a new contractor and their content management system (Marketing; 4.A.6)
- Updated Valencia County transit services brochure and created Group Travel brochure to improve legibility, emphasize connections with other services, and more accurately map points of interest and other key destinations (Marketing, Transit)
- Increased special event ridership from 18,784 in FY2017 to 19,981 in FY2018 (+6%) (Marketing)
- Freedom pass (veterans) program ridership accounted for 5% of all ridership (Marketing)
- Made permanent the "Seniors 62+ Ride Free on Wednesdays" Program, which now runs nine months a year. Program ridership in the first four months of FY2018 is up 35% over previous years. (Marketing)
- Completed the design, approvals and agreements for the Los Ranchos/Journal Center Station parking and pedestrian improvements (Planning, Rail; 1.A.5)
- Completed asset inventory, condition assessment and draft NTD datasets for Rio Metro's Transit Asset Management plan, as required by the FTA (Planning, Rail, Transit; 3.D.1)
- Implemented Route 208, mid-day commuter bus service between Belen, Los Lunas, Pueblo of Isleta, and the Alvarado Transportation Center (Transit, Planning, Marketing; 2.A.6)
- Designed, advertised, and implemented Pueblo of Isleta Dial-a-Ride in partnership with the Pueblo's Public Services Department (Transit, Planning, Marketing; 2.B.6)
- Improved Route 204 performance and safety by eliminating courtesy stops and adding bus stop locations based on rider preference, ridership, and vehicle and passenger safety (Transit ; 2.A.1)
- Completed design, engineering, and bid documents for the Downtown Bernalillo Station Crossing and Trail Safety Improvements, Phase I (Town of Bernalillo, Planning, Rail; 1.A.20a)

FY2019 Goals

- Complete PTC funding package, including executing State Infrastructure Board loan and other private market financing as needed; review PTC Implementation proposals, select vendor, negotiate and execute contract (late 2018) and begin implementation; and complete safety assessment and develop a risk mitigation plan that gains FRA approval for the continued operation of the Rail Runner and tenant rail carriers at their 2018 levels (Administration; 1.A.6)
- Monitor data, usage, and gather community feedback on Phase I bike share expansion and identify Phase II locations for 50 additional stations and 250 bicycles (Administration; 2.C.4)
- Create a video “Riding Rio Metro” as well as vignettes of passengers from different target profiles sharing why they ride (Marketing)
- Develop and implement a Rio Metro Ambassador Program (Marketing; 4.A.6)
- Implement an interactive, responsive trip scheduler on the website that allows visitors to more easily plan their trip (Marketing)
- Complete Transit Asset Management plan prior to FTA’s October 1, 2018 deadline and integrate with Rio Metro’s budget and capital planning activities, National Transit Database reporting, and internal administrative procedures (Planning, Rail, Transit; 3.D.1)
- Seek grant funding for PTC, the design and construction of a Valencia County Transit Facility, and other projects (Planning, Transit; 2.B.2)
- Continue planning activities supporting the advancement of the UNM/CNM/Sunport bus rapid transit system, including collaboration with project partners on an interim service design (Planning; 2.C.2a, 2.C.2b)
- Develop a “dashboard” that provides access to information and performance data about Rio Metro ridership, operations, maintenance, infrastructure and marketing. Simultaneously, develop an underlying database that improves cost and labor efficiency by integrating dashboard, NTD, TAM and other data-dependent activities. (Planning; 3.B.1, 4.A.5)
- Construct Los Ranchos/Journal Center Station parking and pedestrian improvements (Rail, Planning; 1.A.5)
- Construct the new Alameda siding between Alameda Blvd. and Alameda Rd. in Albuquerque to improve reduce delays and improve operating efficiencies. (Rail; 1.A.8)
- Complete maintenance, including replacing bridge panels, on the Rio Grande bridge (Rail; FY2018 NMRX CIP, Project BR-7)
- Evaluate the performance of and implement schedule, route and stop changes to Route 206 in the City of Belen (Transit, Planning; 2.A.6)
- Implement deviated fixed route service on NM 6 in Los Lunas (Transit, Planning; 2.A.7)
- Identify, evaluate and implement potential changes to Rio Rancho Dial-a-Ride, including revising fare structure for consistency with Valencia County Dial-a-Ride and/or expanding service to the general public (Transit, Planning; 2.A.4)
- Identify, evaluate and implement changes to the Community Transportation program model that would improve operational efficiencies and ridership (Transit; 3.E.1)
- Construct Downtown Bernalillo Station Crossing and Trail Safety Improvements, Phase I. Initiate design and engineering of Phase II. (Town of Bernalillo, Planning, Rail; 1.A.20a, 1.A.20b)
- Complete a facilities review and implement Americans with Disabilities Act improvements at Rail Runner stations including braille station signs, handrail modifications, and local agency notification/coordination.

Rail Projects

Category	#	Project	Description	Priority	Timeframe (Years)	Cost	FY2018 Progress
Capital	1.A.1 FY13	Main #2 (Hahn Lead) Extension	Reconstruct Main #2 from MP 899.1 (Hahn) to MP 897.9, including new track and roadbed. Project will increase speed and capacity, and improve on-time performance.	Med	3-5	\$4,600,000	No action. Unfunded.
Capital	1.A.2 FY13	CTC Abajo to Hahn	Upgrade existing track warrant and automatic block signaling territory to centralized traffic control from MP 903.8 (Abajo) to MP 899.1 (Hahn). Project will increase speed and capacity, and improve safety and on-time performance.	High	1-2	\$4,000,000	No action. Unfunded. Project may be completed with PTC implementation (1.A.6).
Capital	1.A.3 FY13	Los Lunas Siding	Reconstruct 3,000 feet of existing siding between the Los Lunas Station and Morris Rd., including new track, roadbed and signals. Project is critical for increasing capacity and improving on-time performance for both commuter and freight trains.	Med	3-5	\$2,000,000	No action. Unfunded.
Capital	1.A.4 FY13	Downtown Albuquerque Track Switches and Locks	Install electric locks on industry crossovers and other-than-main switches from MP 901 to MP 904. Project will increase speed and capacity, and improve on-time performance.	High	1-2	\$1,000,000	No action. Unfunded. A portion of this project may be completed with the PTC risk mitigation plan (1.A.6).
Capital	1.A.5 FY13	Los Ranchos Station Expansion	Construct parking lot west of NMRX right-of-way with pedestrian connections via El Pueblo Rd. to existing platform. Project will increase off-street parking capacity and may alleviate the need to lease property for parking.	High	1-2	\$1,053,371	Design complete. Airspace agreements and intergovernmental agreements executed. Plans are under final review and bidding/construction anticipated in FY2019.

Rail Projects (continued)

Category	#	Project	Description	Priority	Timeframe (Years)	Cost	FY2018 Progress
Capital	1.A.6 FY13	Positive Train Control	Positive Train Control (PTC) is a federally-mandated requirement that applies to the NMRX main. PTC requires equipping all locomotives, cab cars, wayside infrastructure, and the back office/dispatch with an advanced system that prevents train collisions, overspeed derailments, incursions into work zones, and train movements through improperly positioned switches.	High	1-2	\$55,000,000	In cooperation with the Board, staff 1) developed a financial plan for implementation without reducing operations or increasing member government contributions, 2) applied for and received grant funding, 3) issued a design and construction RFP, and 4) with the participation of the NMDOT, tenant railroads, and other stakeholders, developed a draft safety assessment and risk mitigation plan that would achieve a safety margin acceptable to the FRA that would allow current levels of operations to continue during PTC implementation.
Capital	1.A.7 FY13	Chloe Siding Extension	In cooperation with BNSF, extend Chloe Siding into BNSF's freight yard in Belen. Project will improve on-time performance by reducing the likelihood of freight trains blocking access to the Belen Station.	Low	6-10	\$4,025,000	No action. Unfunded.
Capital	1.A.8 FY13	Alameda Siding	Construct 1,500-foot siding between Alameda Blvd. and the Sandia Pueblo Station, including new track, roadbed and signals. Project will increase capacity and improve on-time performance.	Med	1-2	\$1,600,000	Partial federal funding received in FFY2017. The remainder will be received in FFY2019. Project will be constructed in FFY2019.
Capital	1.A.9 FY13	Station Rehabilitation	Assess station rehabilitation and short-term needs (e.g., parking lot repaving).	Med	3-5	\$600,000	Unfunded. Facility condition assessments completed for the TAM plan identified several short-term issues, including parking lot condition.
Capital	1.A.10 FY13	Station Lighting Upgrades	Replace existing lighting to reduce high operations and maintenances costs.	Low	6-10	\$2,000,000	No action. Unfunded.

Rail Projects (continued)

Category	#	Project	Description	Priority	Timeframe (Years)	Cost	FY2018 Progress
Technology	1.A.12 FY14	Automatic Passenger Counters	Install permanent hardware and software to complete full passenger counts on all trains.	High	1-2	\$250,000	No action. Unfunded.
Technology	1.A.14 FY14	IT/Wi-Fi Improvements	Infrastructure, hardware and software improvements to address end-of life IT equipment that supports dispatch and NMRX Wi-Fi.	High	1-2	\$1,800,000	Wi-Fi improvements appeared as an additive alternate in the PTC Implementation RFP, as the Wi-Fi system shares many commonalities with the PTC system.
Capital	1.A.19 FY16	Downtown Albuquerque Station Safety and Pedestrian Improvements	Participate as requested by the City of Albuquerque in the design, engineering and operations adjustments for an at-grade pedestrian crossing at the Alvarado Transportation Center. Project will satisfy ADA deficiencies and improve passenger and pedestrian access to east Downtown and Albuquerque Rapid Transit service.	High	1-2	\$50,000	No action. Unfunded.
Capital	1.A.20a FY16	Downtown Bernalillo Station Crossing and Trail Safety Improvements (Phase I)	With Town of Bernalillo lead, design and construct pedestrian crossing and safety improvements near the Downtown Bernalillo Station. Develop conceptual plans for connecting facilities between Lucero Ave. and the US 550 Station.	High	1-2	\$782,022	Design completed for crossing, sidewalk connections to neighboring streets and fencing. Town of Bernalillo bidding the project and construction to occur soon using FY2017 HSIP funds that have been obligated.
Capital	1.A.20b FY16	Downtown Bernalillo Station Crossing and Trail Safety Improvements (Phase II)	With Town of Bernalillo lead, complete design and construct pedestrian crossing and safety improvements connecting facilities between Lucero Ave. and the US 550 Station.	High	1-2	\$2,099,840	Conceptual plans progressed on trail between Lucero Ave. and the Sandoval County/US 550 Rail Runner Station, and more detailed engineering drawings will be prepared in FY2019. Construction will then proceed using FY2019 HSIP funds.

Rail Projects (continued)

Category	#	Project	Description	Priority	Timeframe (Years)	Cost	FY2018 Progress
Capital	1.A.21 FY16	Station Train Warning System	Install equipment that provides advance audible and visual warning at Rail Runner stations where trains pass at high speed.	Med	1-2	\$82,000	Phase I complete. Warning systems installed at four of seven stations: Sandoval County/US 550, Sandia, Los Ranchos/Journal Center, Montano.
Planning	1.B.2 FY14	Service Expansion Analysis	Develop ridership projections and identify operational, fleet and capital needs required to expand capacity. Potential items for study include new rail and siding projects, platform extensions to serve five-car trains, additional parking capacity, and new office, maintenance and storage facilities.	Low	6-10	\$750,000	No action. Unfunded.
Planning	1.B.3 FY16	Intermodal Freight Plan	Evaluate impacts of and locations affected by a likely increase in freight traffic on NMRX main. Recommend improvements and operational strategies (e.g., Chloe siding) to mitigate potential conflicts of new intermodal facility in Albuquerque.	Med	3-5	\$50,000	No action. Unfunded.

Transit Projects

Category	#	Project	Description	Priority	Timeframe (Years)	Cost	FY2018 Progress
Operations	2.A.1 FY13	Sandoval County Commuter Bus Modifications	Modify underperforming routes to maximize ridership and service potential on an ongoing basis.	High	1-2	Varies	Completed assessment and implemented consolidation of Route 204 courtesy stops into designated stops. To be implemented late FY2018. Also coordinated with City of Rio Rancho on the possible construction of a mid-block crossing near the Safelite Blvd. @ Home Depot stop.
Operations	2.A.3 FY14	Vanpool/ Transportation Network Companies	Evaluate and implement vanpool service and/or contract with transportation network companies (TNCs, e.g., Uber/Lyft), Safe Ride and first/last-mile providers.	High	1-2	\$165,000	Completed analysis of transit agency-TNC relationships and regulatory issues associated with TNC partnerships. Assessed opportunities for Rio Metro to utilize TNCs for existing and new services.
Operations	2.A.4 FY14	Rio Rancho Dial-a-Ride Service Evaluation/ Expansion	Evaluate the level of service provided to elderly and disabled residents of Rio Rancho/Sandoval County and consider increasing operational hours, expanding geographic coverage, opening service to the general public and/or by partnering with TNCs.	Med	3-5	TBD	No action. Unfunded.
Operations	2.A.6 FY14	Valencia County Service Improvement Plan	Planning for and implementation of bus routes recommended in the Valencia County Service Improvement Plan.	Med	1-5	\$100,000	Route 208 entered service December 2017, connecting Belen to ABQ during the midday when the Rail Runner doesn't operate. Initial trends indicate that the service is successful.
Operations	2.A.7 FY19	NM 6 Deviated Fixed Route	Implement deviated fixed route along New Mexico Highway 6 (Main Street) in the Village of Los Lunas. Operational costs would be offset by reallocating service from Valencia County Dial-a-Ride.	High	1-2	\$50,000	New project. To be implemented in FY2019.

Transit Projects (continued)

Category	#	Project	Description	Priority	Timeframe (Years)	Cost	FY2018 Progress
Planning	2.B.2 FY13	Valencia County Transit Facility	Relocate and consolidate Valencia County transit maintenance, administration and fleet parking activities to a single location that comfortably accommodates all personnel and vehicles, and also provides room for future expansion.	High	1-2	\$3,000,000	Evaluated potential sites, identified a suitable NMDOT-owned parcel, and negotiated conditional terms of use. Submitted a 5339 discretionary grant application to design and construct a new facility, but did not receive an award.
Planning	2.B.6 FY17	Pueblo Transit Service Collaboration	Coordinate and collaborate with pueblos to plan and implement transit services that expand regional coverage. Pursue related capital and operations funding opportunities.	Med	1-2	\$25,000	Complete. Implemented new dial-a-ride service on the Pueblo of Isleta in December 2017. Service is being monitored and changes are being implemented to improve ridership.
Capital	2.C.1 FY16	Buses (New and Replacement)	Purchase buses to replace existing fleet and to support future service expansions.	High	1-2	\$3,347,000	Based on fleet size and useful life, Rio Metro replaces, on average, approximately 5 buses/vans per year at an average cost of approximately \$85,000 each. Total cost reflects seven-year life of plan.
Planning	2.C.2a FY17	University Corridor Transit (UCT) Transit-Oriented Development	Conduct study of transit-oriented development opportunities along the University Blvd. Corridor, emphasizing improved land use, urban design and regulatory coordination between project partners.	High	1-2	\$715,000	Project on hold so that it may be advanced with FTA Project Development activities.
Planning	2.C.2b FY17	University Corridor Transit (UCT) UNM/CNM/Sunport Project Development	Enter FTA's Project Development process and advance planning and engineering of Bus Rapid Transit system along University Blvd. between Menaul Blvd. and Sunport.	High	1-2	\$2,400,00	Continued planning activities supporting the advancement of the UNM/CNM/Sunport bus rapid transit system, including collaboration with project partners on an interim service design.

Transit Projects (continued)

Category	#	Project	Description	Priority	Timeframe (Years)	Cost	FY2018 Progress
Capital	2.C.2c FY16	UNM/CNM/Sunport BRT	Design and construct Bus Rapid Transit system along University Blvd. between Menaul Blvd. and Sunport.	High	3-5	\$65,000,000	Project will be initiated upon completion of 2.C.2b.
Planning	2.C.3 FY16	Paseo del Norte BRT	Update and advance the planning and conceptual engineering for a Bus Rapid Transit system connecting Northwest Albuquerque and Rio Rancho to the Journal Center and UNM/CNM.	Low	6 - 10	\$2,000,000	No action. Unfunded.
Capital	2.C.4 FY19	Bike Share Expansion	Expand the existing bike share program out from the Downtown area with new stations and bicycles, including the addition of new bike share technologies and more flexible policies.	High	1-2	\$1,257,335	Identified new station locations between Downtown Albuquerque and Nob Hill, executed funding agreements, received permits, installed stations and bikes, and launched new program in late April/early May.
Operations	3.E.1 FY13	Evaluate/Enhance Community Transportation Program	Evaluate existing demand taxi service and policies. Consider additional opportunities for TNC (e.g., Uber/Lyft) integration, safe ride service, and/or first/last mile connections.	High	1-2	\$200,000	The Community Transportation issued an RFQ this last fall for interested Taxi providers and TNC operators. No TNC responded to the RFQ.

Organization-Wide Projects

Category	#	Project	Description	Priority	Timeframe (Years)	Cost	FY2018 Progress
Admin	3.A.1 FY13	Discretionary Funding Sources	Inventory, assess and target discretionary funding sources for identified projects.	High	1-2	\$50,000	Rio Metro was awarded a \$3.6 million FY2017 PTC grant. Rio Metro also requested \$9.8 million in FY2017 TIGER grant funding for PTC, but was not successful. Awaiting word on an FY2017 5339 bus and bus facility competitive grant request for \$2.2 million. Still awaiting word from FTA.
Admin	3.A.5 FY13	Combined Bus and Rail Policies	Update and combine Rio Metro bus and rail operating and passenger policies.	Low	3-5	N/A	No action.
Planning	3.B.1 FY13	Data Collection, Performance Measures and Reporting	Improve data collection and tracking, particularly relative to ridership and budget expenditures. Develop an evaluation method and procedure for the various services and routes operated by Rio Metro and a mechanism for developing ridership and financial reports for the Board, administration, planning and general public.	High	1-2	\$100,000	Planning is developing a dashboard that provides access to information and performance data about ridership, operations, maintenance, infrastructure, marketing, safety, etc. The database supporting the dashboard would be capable of storing additional data for more in-depth planning and analysis exercises.
Technology	3.D.1 FY13	Transit Asset Management Plan	Develop and implement a transit asset management plan that encourages a proactive approach towards maintenance and rehabilitation of rail and bus assets, and complies with federal TAM rule and 10/1/2018 deadline.	High	1-2	\$400,000	Major elements of the TAM plan have been completed, including asset inventory, condition assessments and preparation of draft NTD datasets. Project is on schedule to meet the deadline.

Vision Plan Projects

Vision Tactic Group	#	Project	Description	Priority	Timeframe (Years)	Cost	FY2018 Progress
Improve Perceived Safety, Security, and Cleanliness of the Regional Transit System	4.A.2 FY17	Safety Planning	Comply with Public Transportation Agency Safety Plan rule, when finalized by FTA.	High	1-2	TBD	The Public Transit Agency Safety Plan has not yet been finalized by FTA. Rio Metro may complete the plan in cooperation with NMDOT and other small urban and rural transit providers across the state.
Develop a Regional Transit Network and Service Plan; Evaluate/Implement Cost-Effectiveness Measures	4.A.3 FY17	Develop a Regional Transit Network and Service Plan	In collaboration with regional transit providers, develop a tiered service concept and map that illustrates an interconnected and expanded regional and local network. Includes a fiscal analysis, consolidation feasibility study with other transit providers (e.g., ABQ RIDE), examination of alternative modes and transit service delivery, capital plan and public input.	High	1-2	\$250,000	Cooperation with ABQ RIDE and MRMPO is anticipated during the upcoming MTP cycle.
Use Regional Transit Planning to Promote Economic Development	4.A.4 FY17	Economic Development and High-Capacity Transit	Communicate, collaborate and partner with local and regional economic development agencies/organizations so that future economic development investments are focused within 1/2 mile of high-capacity transit nodes and corridors.	Med	Ongoing	\$5,000	Ongoing. Active participation in COA's Greater Central Avenue effort, investigating the application of value capture tools, and collaborating with the Urban Land Institute.
Evaluate/Implement Cost-Effectiveness Measures	4.A.5 FY17	Review Rio Metro Operations for Efficiency Gains	Conduct a top-to-bottom review of Rio Metro's entire operations to identify opportunities for efficiency gains including administrative costs, service/ operations costs, and overhead costs (GRT payments, etc.).	High	1-2	\$10,000	Several projects (e.g., 2.A.1) seek to improve the cost efficiency of Rio Metro's services.
Evaluate/Implement Cost-Effectiveness Measures	4.A.6 FY17	Enhance Rio Metro Identify	Enhance Rio Metro's identity as an operating agency through graphic and communication standards.	High	1-2	\$10,000	Continued branding campaign across all services to heighten awareness of Rio Metro as a multi-modal public transportation organization.

Vision Plan Projects (continued)

Vision Tactic Group	#	Project	Description	Priority	Timeframe (Years)	Cost	FY2018 Progress
Evaluate and Pursue New and Expanded Funding Sources	4.A.8 FY17	GRT Waiver	Study the feasibility of a waiver of existing GRT payments on purchased transportation contracts.	High	1-2	\$10,000	No action.
Evaluate and Pursue New and Expanded Funding Sources	4.A.9 FY17	Revenue Growth	Investigate the feasibility and timing of a GRT increase and other revenue sources for Rio Metro services. Significant expansion of transit infrastructure and service is contingent upon additional revenue.	High	1-2	\$150,000	Administration has pursued both a State Infrastructure Bank loan and private bond to help implement PTC. These loans are being leveraged with newly available 5337 SGR funds.
Become an Industry-Leading Transit Agency	4.A.10 FY17	Board Orientation/ Training Programs	Formalize orientation and training programs for Rio Metro's Board that encourage and facilitate member participation.	High	1-2	\$10,000	Several board members sat on the PTC steering committee to receive a more in-depth orientation to PTC and provide more specific direction to staff.
Become an Industry-Leading Transit Agency	4.A.11 FY17	Targeted Engagement Efforts	Pursue ongoing stakeholder engagement as needed to support all of the Priority Implementation Tactics.	High	1-2	\$10,000	Staff engaged with several partners/projects, including the Urban Land Institute, Albuquerque Rapid Transit project, and ABC to Z comprehensive plan and integrated development ordinance.

Rail Americans with Disabilities Act Projects

Category	#	Project	Description	Priority	Timeframe (Years)	Cost	FY2018 Progress	Responsible Division(s)
Capital	5.A.1 FY19	Braille Entrance/ Station Signs	Design, fabricate and install at a uniform, central location (on call button panel of info kiosk) at all stations.	High	1 - 2	\$5,000	N/A. New project.	Rail
Planning	5.A.2 FY19	ADA Plan Review and Handrail Design	Review ADA regulations and RMRTD transition plan recommendations. Design the hand rail modifications required at the South Capital Station (including returns, heights, opposite side, etc.) and install.	High	1-2	\$30,000	N/A. New project.	Rail, Planning
Capital	5.A.3 FY19	Handrail Modifications	Modify existing handrails (height, returns) at the Downtown Albuquerque and Montano stations.	High	1 - 2	\$5,000	N/A. New project.	Rail
Capital	5.A.4 FY19	Partner Agency Notification	In cases where the access path, parking or other features on adjacent property are not compliant, notify agencies of audit findings and request corrective actions.	High	1-2	NA	N/A. New project.	Rail, Planning
Capital	5.A.5 FY19	Parking Area ADA Striping	Review the dimensions and quantity of accessible parking spaces at Downtown Bernalillo, Sandoval County/US 550, and the South Capital stations and restripe as needed.	Medium	3 - 5	\$20,000	N/A. New project.	Rail
Capital	5.A.6 FY19	ADA Signage	Add to or modify (height, placement, etc.) existing signage for accessible vehicle and van spaces and accessible paths (Santa Fe County and South Capital stations).	Medium	3 - 5	\$5,000	N/A. New project.	Rail
Capital	5.A.7 FY19	Station Review and Design	Review ADA regulations and the design (ramps, slopes, etc.) of the existing Downtown Albuquerque, Belen and Sandoval County/US 550 stations. Develop specific regulatory/design responses.	Medium	3 - 5	\$30,000	N/A. New project.	Rail, Planning

Rail Americans with Disabilities Act Projects (continued)

Category	#	Project	Description	Priority	Timeframe (Years)	Cost	FY2018 Progress	Responsible Division(s)
Capital	5.A.8 FY19	Handrail Modification 599 Station	Raise existing handrail on overpass ramps approximately 1"	Medium	3 - 5	\$5,000	N/A. New project.	Rail
Capital	5.A.9 FY19	Kewa ADA Access Path	Construct approximately 20' of accessible path to street.	Medium	3 - 5	\$5,000	N/A. New project.	Rail
Capital	5.A.10 FY19	Isleta ADA Access Path	Construct approximately 300' of accessible path to street.	Medium	3 - 5	\$15,000	N/A. New project.	Rail
Capital	5.A.11 FY19	Accessible Loading Zone Design	Review accessible loading zone regulations and designs at stations and develop a strategy meeting regulations.	Medium	3 - 5	\$15,000	N/A. New project.	Rail, Planning



Section 3: New Mexico Rail Runner Express Capital Improvement Program

Introduction

The 2018-2024 New Mexico Rail Runner Express Capital Improvement Program (NMRX CIP) finds its basis in the 2013 memorandum of agreement (MOA) between Rio Metro and NMDOT:

The parties shall jointly develop a five (5) year NMRX and NMRX Corridor capital maintenance plan/capital improvement plan that will be subject to the joint approval of the RMRTD Chief Executive Officer and the NMDOT Cabinet Secretary. The capital maintenance/capital improvement plan will be reviewed annually and updated at least every two (2) years. The plan shall focus on maintaining NMRX in a safe condition and a state of good repair and shall identify the projected annual costs of planned programs, projects, major purchases, and activities; projected annual funding amounts by funding source for each program, project, major purchase or activity; and a demonstration that the plan will maintain NMRX in a safe condition and a state of good repair. The plan shall comply with the FTA-required NMRX capital asset management plan and shall demonstrate how the programmed expenditures assist in meeting NMRX performance targets. The plan will be presented to the STC by RMRTD as part of the NMRX annual report.

In addition to the NMRX CIP, Rio Metro is in the process of drafting its own transit asset management (TAM) plan and will complete it prior to FTA's October 1, 2018 deadline. Projects funded through the 5337 state of good repair program—which makes up most of the funding in the NMRX CIP—are required to be included in the TAM plan to receive funding. Therefore, it is likely that there will be some overlap between the TAM plan and future iterations of the NMRX CIP.

For now, the NMRX CIP includes four component programs:

1. **Capital Maintenance Program**, which accounts for the projects necessary to maintain locomotives, railcars, railroad track, signals, communications equipment and stations in a state of good repair;
2. **Grade Crossing Improvement Program**, which includes a list of highway-rail and pedestrian-rail crossings scheduled for reconstruction or upgrades;
3. **Bridge Repair and Replacement Program**, developed from the *NMRX Annual Bridge Inspection Report*; and
4. **Capital Projects Program**, which highlights funded and unfunded capital projects that enhance safety, add track capacity, increase speed and efficiency, improve maintenance facilities and equipment, and complete Americans with Disabilities Act modifications.

Each component program includes a table with project titles, project costs, the year of expenditure and total cost. The tables are followed by paragraphs that provide a more complete description of each project. Additionally, each project is assigned a project ID (e.g., "CM-16"). As projects from past years are completed, their numbers have traditionally been retired. Therefore, the component program tables may skip certain project numbers.

Projects are recommended for funding by Rio Metro and contractor staff based on professional judgement, in-field experience and specific assessments (e.g., bridge inspection report). In future years, this experience is likely to be coupled with the outputs from a decision support tool developed in concert with the TAM plan. Also, NMDOT-led projects, particularly those between Control Point Madrid and the Lamy Amtrak Station, are likewise included to capture all major projects on the NMDOT-owned system.

Finally, although it is not a component program, this NMRX CIP initiates an effort to address Americans with Disabilities Act of 1990 (ADA) requirements at Rail Runner facilities. This effort is described in more detail at the end of the CIP.

Component 1: Capital Maintenance Program

The capital maintenance program is central to Rio Metro's state of good repair efforts. Generally consuming most of Rio Metro's 5337 state of good repair funds (supplemented with 5307 Large Urban funds), it is the largest of the four component programs. A summary table and a description of each project are provided on the following pages.

Capital Maintenance Program											
Project ID	Project	Unit	Unit Cost	Year 1 Cost	Year 2 Cost	Year 3 Cost	Year 4 Cost	Year 5 Cost	Year 6 Cost	Year 7 Cost	7 Year Total
CM-1	HVAC Overhaul/Conversion	44	\$20,000	\$130,000	\$130,000	\$130,000	\$130,000	\$130,000	\$130,000	\$100,000	\$880,000
CM-4	Head End Power (HEP) Overhaul	1/Year	\$160,000	\$160,000	\$160,000	\$160,000	\$160,000	\$160,000	\$160,000	\$160,000	\$1,120,000
CM-5	Locomotive Top Deck Overhaul 101	1	\$400,000				\$400,000				\$400,000
CM-6	Locomotive Top Deck Overhaul 102	1	\$400,000				\$400,000				\$400,000
CM-7	Signal Component Repl. (Material Only)	Annual Cost	\$189,000	\$189,000	\$189,000	\$189,000	\$189,000	\$189,000	\$189,000	\$189,000	\$1,323,000
CM-8	COT&S Cab and Coach Cars	Annual Cost	\$170,000	\$170,000	\$170,000	\$170,000	\$170,000	\$170,000	\$170,000	\$170,000	\$1,190,000
CM-10	Ties (Material Only)	11,500/Year	Varies	\$800,000	\$1,000,000	\$800,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$6,600,000
CM-11	Ballast (Material Only)	10,000 Tons/Year	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$1,400,000
CM-12	Bridge Components (Material Only)	N/A	\$30,000	\$110,000	\$180,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$440,000
CM-13	Frog Replacement	5/Year	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$350,000
CM-14	Emergency Drainage Cleanout	Annual Cost	\$80,000	\$80,000	\$80,000	\$80,000	\$80,000	\$80,000	\$80,000	\$80,000	\$560,000
CM-15	Fencing (Material Only)	10 Miles/Year	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$350,000
CM-16	Wheel Replacement	15/Year	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$350,000
CM-17	Traction Motor Repair	~8 Repairs/Year	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$1,400,000
CM-22	Locomotive Top Deck Overhaul 103	1	\$400,000					\$400,000			\$400,000
CM-23	Locomotive Top Deck Overhaul 104	1	\$400,000					\$400,000			\$400,000
CM-24	Locomotive Top Deck Overhaul 105	1	\$400,000						\$400,000		\$400,000
CM-25	Locomotive Top Deck Overhaul 106	1	\$400,000						\$400,000		\$400,000
CM-26	Locomotive Top Deck Overhaul 107	1	\$400,000							\$400,000	\$400,000
CM-27	Locomotive Top Deck Overhaul 108	1	\$400,000							\$400,000	\$400,000
CM-28	Locomotive Top Deck Overhaul 109	1	\$400,000								\$0
CM-30	Coupler Replacement	4/Year	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$140,000
CM-36	Locomotive Turbo Replacement	1/Year	\$24,000	\$24,000	\$24,000	\$24,000	\$24,000	\$24,000	\$24,000	\$24,000	\$168,000
CM-44	Other Track Material	Annual Cost	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$350,000
CM-PM/MOE/W	On-going PM/MOE/MOW		\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$1,750,000
CM Program Total Cost				\$2,533,000	\$2,803,000	\$2,453,000	\$3,453,000	\$3,453,000	\$3,453,000	\$3,423,000	\$21,571,000

CM-1 Heating, Ventilation and Air Conditioning (HVAC) Overhaul/Conversion: Each of the 22 Bombardier bi-level coach and cab cars in the NMRX fleet has two HVAC units that must be overhauled periodically and converted to accept a new refrigerant based on US EPA rules. The cost per unit is \$20,000, and the program provides funding for all 44 overhauls within the seven-year program.

CM-4 Head End Power (HEP) Overhaul: Each NMRX locomotive includes a main engine to power the wheels and a head end power (HEP) engine that generates electricity to power the lighting, HVAC and other electrical needs for the cab and coach cars. HEPs must be overhauled as they approach their maximum recommended hours of use. One HEP will be overhauled each year in perpetuity, at a cost of \$160,000.

CM-5 Locomotive 101 Top Deck Overhaul: NMRX service utilizes nine Motive Power MP36PH locomotives. Five were built in 2005 and four were built in 2008. Locomotives are typically subject to a “mid-life” overhaul 10-15 years from their first date of use. Mid-life overhauls are necessary to correct wear in mechanical and electrical parts, including the main engine, traction motors, trucks, switchgear, electrical components, turbos, etc. As part of the annual maintenance program, many locomotive components are repaired, replaced or overhauled. Therefore, top deck overhauls will focus on the prime mover (diesel engine) and the main generator that powers the traction motors. Two locomotives will be overhauled annually in years four through seven. The ninth locomotive will be overhauled in year eight (outside plan horizon). This schedule will ensure that all of the locomotives are overhauled before serious, unscheduled maintenance and repairs are required. The cost of a top deck overhaul is estimated at \$400,000 per locomotive. Locomotive 101 is scheduled to be overhauled in year four.

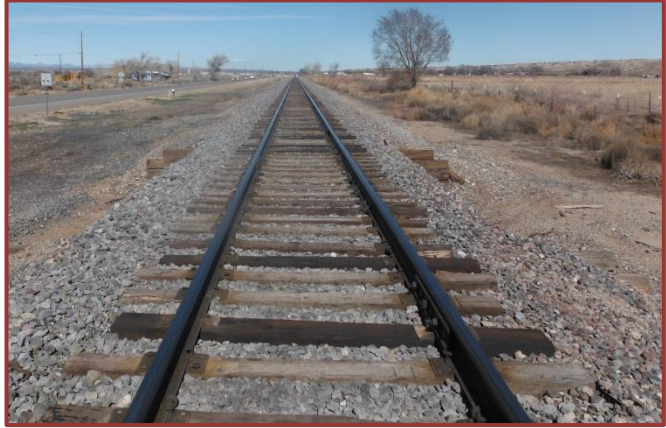


CM-6 Locomotive 102 Overhaul: See CM-5 for project description. Locomotive 102 is also scheduled to be overhauled in year four.

CM-7 Signal Component Replacement (Material): The NMRX signal system controls the movement of trains and is essential to safety. Major components of this system— including wayside signals, control points, dual-control switches, highway-grade crossing gates and signals, high water detectors, dragging equipment detectors, pole line circuits, data and voice radios, batteries, etc.—have subcomponents that are subject to periodic replacement due to product life and the operating environment. \$189,000 is allocated annually for this purpose.

CM-8 COT&S Cab and Coach Cars: Every four years, each NMRX cab and coach car undergoes a detailed inspection and replacement of all major air valves and brake actuators as required by the Federal Railroad Administration (FRA). This process is referred to as “clean, oil, test, and stencil” or COT&S. There are 13 coach cars and nine cab cars in the NMRX fleet, which means that five to six cars are subject to this requirement on an annual basis. The annual cost, which includes the COT&S kits, is \$170,000.

CM-10 Ties (Material Only): In order to keep the track in a state of good repair and at the appropriate FRA classification for passenger service, about 11,500 ties need to be installed each year. While Rio Metro's contract with Herzog Transit Services, Inc. (HTSI) includes the labor to install these ties, \$800,000 to \$1 million per year is provided in this program to purchase the ties.



CM-11 Ballast (Material Only): Another component of track system maintenance is regularly resurfacing the railroad to maintain high ride quality and safety. Resurfacing, which is similar to highway repaving, requires 10,000 tons of new ballast each year. Like CM-10, labor is included in the HTSI contract, but \$200,000 is allocated annually to purchase the ballast.

CM-12 Bridge Components (Material Only): Like ties and ballast, \$30,000 is allocated annually to purchase bridge components. Additional funding is allocated in year one and year three for specific bridges highlighted in the Bridge Repair and Replacement Program. The labor to install these components is included in the HTSI contract. Specific and more notable bridge repairs are included in the Bridge Repair and Replacement Program.

CM-13 Frog Replacement: Frogs are an integral part of a railroad turnout or "switch". Frogs require grinding and welding at periodic intervals to extend their service life, and eventually need to be replaced. The life span of a frog is highly dependent on the tonnage that it carries, requiring some to be replaced more often than others. Based on historical need, \$50,000 is allocated to replace five frogs per year.

CM-14 Emergency Drainage Cleanout: Drainage ways on railroad property can become damaged due to flooding or excessive use and require emergency cleaning and repair. While the costs associated with this work may vary from year to year, \$80,000 is reserved in each program year in line with historical costs.

CM-15 Fencing (Material Only): Because livestock strikes are still a common occurrence for NMRX trains, fencing is needed to significantly restrict or eliminate livestock access to the railroad right-of-way. \$50,000 per year is allocated to purchase the material for about 10 miles of fencing. Labor costs for installation are included in HTSI's contract.

CM-16 Wheel Replacement Program: Locomotive and car wheels wear over time and must be replaced based on FRA's regulations pertaining to wear. This program allocates \$50,000 per year to replace approximately 15 wheels on NMRX rolling stock.



CM-17 Traction Motor Repair: Traction motors are the electric engines in the truck

assembly of a locomotive that turn the wheels when power is applied from the main engine. NMRX locomotives experience traction motor failures at higher rates than other passenger rail operators for a variety of environmental reasons including altitude, climate and grade. When a traction motor fails, it has to be shipped out of state because of the specialized equipment and parts required to perform the repairs. The program allocates \$200,000 annually for traction motor repairs.

CM-22 Locomotive 103 Top Deck Overhaul: See CM-5 for project description. Locomotive 103 is scheduled to be overhauled in year five.

CM-23 Locomotive 104 Top Deck Overhaul: See CM-5 for project description. Locomotive 104 is scheduled to be overhauled in year five.

CM-24 Locomotive 105 Top Deck Overhaul: See CM-5 for project description. Locomotive 105 is scheduled to be overhauled in year six.

CM-25 Locomotive 106 Top Deck Overhaul: See CM-5 for project description. Locomotive 106 is scheduled to be overhauled in year six.

CM-26 Locomotive 107 Top Deck Overhaul: See CM-5 for project description. Locomotive 107 is scheduled to be overhauled in year seven.

CM-27 Locomotive 108 Top Deck Overhaul: See CM-5 for project description. Locomotive 108 is scheduled to be overhauled in year seven.

CM 28 Locomotive 109 Top Deck Overhaul: See CM-5 for project description. While the Locomotive 109 overhaul is not scheduled within the horizon of the NMRX CIP (i.e., year eight), it is listed in this program because it is a known, significant cost.

CM-30 Coupler Replacement: Couplers, the mechanisms that link train cars together, wear over time and need to be replaced at a rate that prevents an in-service failure. \$20,000 is allocated per year to replace up to four couplers.

CM-36 Locomotive Turbo Replacement: The turbo chargers on NMRX locomotives need to be replaced periodically due to normal wear and lifecycle replacement requirements. Two of nine turbos have been replaced; \$24,000 is included in each of the program's seven years to replace the remaining seven.

CM-44 Other Track Material: In addition to ties and ballast, the track system requires various other components such as track anchors, switch points, etc. to remain in a state of good repair. \$50,000 per year is programmed to purchase these materials as the need arises.

CM-PM/MOE/W, On-going Preventative Maintenance/Maintenance of Equipment/Maintenance of Way: The project reserves funding for unexpected preventative maintenance, maintenance of equipment and maintenance of way that is not otherwise anticipated by previous projects.

Component 2: Grade Crossing Improvement Program

The NMRX system has 80+ pedestrian- and highway-railroad grade crossings through which the Rail Runner operates, and there are several others that are located on state-owned portions of the railroad over which BNSF and Amtrak operate. Since the Rail Runner has been in operation, NMDOT and Rio Metro have made a concerted effort to close or improve crossings, as they are locations where trains, pedestrians and vehicles can potentially come into conflict. In support of these efforts, NMDOT continues to set aside a subset of the State's Section 130 (Railway-Highway Crossings Program) allocation for the NMRX system. These Section 130 funds are commonly supplemented by tenant railroad (e.g., BNSF) contributions and local government roadway and trail projects that incorporate crossing improvements. Over the next seven years, the Grade Crossing Improvement Program includes 15 projects with a combined cost of \$2,973,000 million.

Grade Crossing Improvement Program									
Project ID	Project	Year 1 Cost	Year 2 Cost	Year 3 Cost	Year 4 Cost	Year 5 Cost	Year 6 Cost	Year 7 Cost	7 Year Total
XX-3	Claremont Avenue					\$265,000			\$265,000
XX-5	Ortega Road				\$165,000				\$165,000
XX-6	Lucero Road		\$160,000						\$160,000
XX-7	Isleta Lakes Road			\$108,000					\$108,000
XX-11	Avenida Bernalillo	\$400,000							\$400,000
XX-15	1st Street			\$170,000					\$170,000
XX-16	3rd Street	\$255,000							\$255,000
XX-18	5th Street	\$170,000							\$170,000
XX-19	6th Street		\$255,000						\$255,000
XX-20	8th Street			\$150,000					\$150,000
XX-21	12th Street			\$340,000					\$340,000
XX-22	Griego Road (Los Lunas)						\$185,000		\$185,000
XX-23	Tribal Road 54 (Cut-Off)							\$200,000	\$200,000
XX-24	Menaul Blvd. (Gate Mechanism)				\$75,000				\$75,000
XX-25	Lomas Blvd. (Gate Mechanism)				\$75,000				\$75,000
Total Cost		\$825,000	\$415,000	\$768,000	\$315,000	\$265,000	\$185,000	\$200,000	\$2,973,000

Unless otherwise noted, many of the crossings described below will be reconstructed to address the following issues:

- The crossing has sunk below the level of the roadway and the field-side boards (those between the rails and the roadway edge) have turned inward toward the rail. This dip-like condition allows water to collect underneath and undermine the crossing.
- Because of this poor drainage (and other factors), the approaching asphalt and asphalt shoulders are breaking down.
- The ties supporting the crossing boards have deteriorated and are no longer capable of holding fasteners, causing the screw spikes that retain the crossing boards to back out.
- The crossing boards are made of a material other than concrete (e.g., rubber, timber). These materials are more likely to deteriorate and deform. All crossings are now reconstructed to with concrete panels.

XX-3 Claremont Avenue (North Valley): The rubber crossing boards have reached the end of their useful life and are causing a “pumping” effect on passing traffic. \$265,000 has been allocated in year five to reconstruct both Main 1 and Main 2 through this crossing.

XX-5 Ortega Road (North Valley): \$165,000 has been programmed in year four to reconstruct this timber crossing.

XX-6 Lucero Road (Town of Bernalillo): \$160,000 has been programmed in year two to reconstruct this timber crossing.

XX-7 Isleta Lakes Road (Isleta Pueblo): This timber crossing is located at the entrance to the Isleta Lakes and RV Park and is, therefore, subject to considerable recreational vehicle traffic. Also, the roadway width on either approach pinches down from approximately 45 feet to 25 feet at the crossing and adjacent cattle guard. Due to this configuration and the type of traffic, this location is also a prime candidate for a four-quadrant gate system. \$108,000 has been programmed in year three to reconstruct the crossing and add two additional gates.



XX-11 Avenida Bernalillo Crossing (Town of Bernalillo): The Avenida Bernalillo crossing, which includes Main 1 and the Bernalillo Siding, is scheduled for reconstruction to include the replacement of aging gate mechanisms. \$400,000 is allocated in year one to fund these improvements.

XX-15 through XX-21 Saw Mill Spur Crossings (Albuquerque): The Saw Mill spur extends west from the main track and allows BNSF to serve commercial and industrial businesses in the Saw Mill neighborhood located between I-40 and Mountain Rd. Accordingly, it is used by an occasional freight train. The Saw Mill spur crosses 1st, 2nd, 3rd, 4th, 5th, 6th, 8th and 12th streets. All of these crossings have rubber panels that are warping, sinking and in some cases unravelling. With the exception of 4th St., which was improved in 2016, and 2nd St., which was reconstructed in 2012, the remaining crossings will be reconstructed in years one through three of the program with \$1,340,000 of Section 130 funds and BNSF contributions.

XX-22 Griego Road (Los Lunas): The Griego Rd. crossing has settled, causing a depression in the roadway. The settlement has produced a similar effect on the track, and, when coupled with aging ballast that also hinders drainage, the crossing is expected to worsen over time. Although the crossing incorporates concrete panels, their first-generation design precludes easy removal and maintenance. The only option is to reconstruct the crossing. Accordingly, \$185,000 has been programmed in year six.

XX-23 Tribal Road 54 (Cut-Off/Isleta Pueblo):

The crossing at Tribal Rd. 54 has two tracks, Main 1 and the cut-off track that connects the Albuquerque Subdivision to the Gallup Subdivision of BNSF's Southern Transcontinental Route. While Main 1 was recently reconstructed, the cut-off track has settled, causing a depression that affects both motorists and trains. Furthermore, because this crossing is in the middle of a curve, it is possible that train wheels could leave the rail and ride on the wooden crossing board. Finally, the deteriorating ballast is hindering drainage, which will exacerbate these conditions with time. \$200,000 is programmed in year seven to completely reconstruct this crossing.



XX-24 Menaul Blvd. Median Gates (Albuquerque): The two existing gate arms at the Menaul Blvd. crossing must each be long enough to span three vehicle lanes. However, gate arm length leads to several problems: damage during high winds, long descent times to reach the final horizontal position, and gate mechanism wear due to weight. \$75,000 is programmed in year four to install median gates, which will allow the length of the existing gate arms to be drastically reduced. This project includes installing gates in the medians at the Menaul Blvd. crossing.

XX-25 Lomas Blvd. Median Gates (Albuquerque): The two existing gate arms at Lomas Blvd. suffer the same issues as those at Menaul Blvd. \$75,000 is programmed in year four to install median gates, which will allow the length of the existing gate arms to be drastically reduced.

Component 3: Bridge Repair and Replacement Program

Per FRA regulations, each of the 100+ bridges on the NMDOT-owned system must be inspected annually. Accordingly, the Bridge Repair and Replacement Program is based on the annual bridge inspection report and NMDOT and Rio Metro staff professional judgement. The program divides \$940,000 among four projects over the seven-year horizon of the program.

Bridge Repair and Replacement Program									
Project ID	Project	Year 1 Cost	Year 2 Cost	Year 3 Cost	Year 4 Cost	Year 5 Cost	Year 6 Cost	Year 7 Cost	7 Year
BR-2	Bridge AB0888.60 Repair	\$80,000							\$80,000
BR-3	Bridge AB0863.82 Repair		\$150,000						\$150,000
BR-5	Bridge AB0853.61 Replacement						\$250,000	\$250,000	\$500,000
BR-6*	Bridge AB0864.78 Repair	\$50,000							
BR-7**	Bridge AB0877.34 Replacement		\$120,000						
BRM-1	Bridge Components (Material Only)	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$210,000
Total Cost		\$160,000	\$300,000	\$30,000	\$30,000	\$30,000	\$280,000	\$280,000	\$940,000

* Project to be paid from HTSI contract and capital maintenance project CM-PM/MOE/W

** Project currently unbudgeted but included for reference

BR-2 Bridge AB888.60 (Sandia Pueblo): Bridge AB0888.6 is located 0.4 miles south of the North Farm Rd. crossing. Constructed in 1952, it consists of a ballast deck with timber stringers and piles. \$80,000 is allocated in year one to address deficiencies and other fatigue issues. \$80,000 was previously allocated to this bridge in FY2018.

BR-3 Bridge AB0863.82 (Kewa Pueblo): Bridge AB0863.82 is located about two miles east of the Kewa Station at milepost 863.2. Consisting of a ballast timber deck and rolled beams on stone masonry abutments and piers, the year of original construction is unknown. \$150,000 is allocated in year two to address fatigue issues and shore up the structure.

BR-5 Bridge AB0853.61 (Santa Fe County): Located 1.5 miles northeast of the Village of Cerrillos, Bridge 853.61 was constructed in 1962 is now in need of full replacement. There are structural issues affecting the load rating, including fatigue to angles welded to the bottom of the stringers. \$250,000 is allocated in both years six and seven to replace the bridge.



BR-6 Bridge AB0864.78 (Kewa Pueblo): Located 0.5 miles east of Kewa Station, Bridge AB0864.78 was constructed in 1926 and has been periodically repaired over the years. This \$50,000 project, to be paid from HTSI's contract and project CM-PM/MOE/W, will replace timber decking, remove an aging catwalk and clear out excess ballast.

BR-7 Bridge AB0877.34 (Kewa Pueblo): Bridge AB0877.34 was constructed in 1922 and is a candidate for replacement with multiple culverts. Although currently unbudgeted, NMDOT and Rio Metro are assessing the possibility of funding this project in Year 2 at an estimated cost of \$120,000.

BRM-1 Bridge Components (Material Only): Bridge maintenance and repair ensure the integrity of the NMRX system. To cover the material costs associated with minor bridge repairs, \$30,000 is included in each of the seven years of the Bridge Repair and Replacement Program. Labor costs are included in HTSI's contract. This project is identical to CM-12 in the Capital Maintenance Program.

Component 4: Capital Projects Program

The Capital Projects Program includes tables of both funded capital projects (FCP) and unfunded capital projects (UCP). Rather than expanding service, these projects are largely focused on improving the existing NMRX system by increasing system speed, adding track capacity (e.g., sidings), enhancing safety, and satisfying federal regulations. The total cost for the Capital Projects Program is estimated at approximately \$129.5 million (\$80.3 million funded/\$49.2 million unfunded), although the lion's share (\$55 million) is for Positive Train Control implementation, which has a federally-mandated interim deadline of December 2018.

Projects with committed funding are shown in the table below, followed by a description of each.

Capital Projects Program (Funded)									
Project ID	Project	Year 1 Cost	Year 2 Cost	Year 3 Cost	Year 4 Cost	Year 5 Cost	Year 6 Cost	Year 7 Cost	7 Year Total
FCP-3	Alameda Siding	\$1,600,000							\$1,600,000
UCP-26a	FY2017 TIGER Improvements (Madrid-Lamy)		\$6,000,000						\$6,000,000
FCP-28	Positive Train Control Implementation	\$34,500,000	\$20,500,000						\$55,000,000
FCP-28a	Positive Train Control Debt Service	\$2,140,000	\$2,140,000	\$2,140,000	\$2,817,000	\$2,817,000	\$2,817,000	\$2,817,000	\$17,688,000
	Total Cost	\$38,240,000	\$28,640,000	\$2,140,000	\$2,817,000	\$2,817,000	\$2,817,000	\$2,817,000	\$80,288,000

FCP-3 Alameda Siding: This project will construct a 1,500-foot siding between Alameda Blvd. and Alameda Rd. The current single main track runs for 14 miles between Control Point Hahn (near Griegos Rd.) and the Town of Bernalillo with no opportunity for trains to pass. This siding would be placed in the middle of this 14-mile single track section to improve on-time performance, enable more scheduling options, and provide relief for Rail Runner, Amtrak and BNSF trains. The estimated cost of \$1.6 million will fund new subgrade, ballast, track, turnout and signals. Approximately \$1.3 million was received in FY2017 and the remaining \$300,000 will be received in year one (FY2019). The project is being funded with STP-U funds through the MRMPPO TIP.

FCP-26a FY2017 TIGER Improvements (Madrid-Lamy): As part of a multi-agency effort to improve the railroad over which Amtrak's Southwest Chief operates, this project will upgrade the signal system from Automatic Block Signaling to Centralized Traffic Control, replace a damaged culvert, replace a half-mile of track near Devil's Throne, and install rock slide fencing and a warning signal at the curve near Devil's Thone. These improvements are located between Control Point Madrid and the Lamy Station, a segment of track over which Amtrak operates and BNSF rarely operates (the Rail Runner turns off to Santa Fe at CP Madrid prior to this segment). NMDOT and several counties along the Southwest Chief corridor received a \$16,000,000 FY2017 TIGER grant (\$26.7 with match). The improvements in this area are estimated to cost \$6,000,000.

FCP-28 Positive Train Control (PTC): As required by Federal law and detailed in FRA regulations, PTC is designed to prevent train collisions, overspeed derailments, work zone incursions and train movements through improperly positioned switches. The I-ETMS solution that Rio Metro and NMDOT are likely to implement on the NMRX corridor relies on GPS and constant radio communication between a back-office server, dispatch, wayside signals, and trains to prevent the aforementioned accidents from occurring. While potentially more costly than other technologies, I-ETMS was developed by a consortium of the major Class I railroads and is most compatible with BNSF and Amtrak. The estimated cost for PTC is

\$55,000,000 and would be funded by a combination of gross receipts tax (GRT), 5337, STP-U, FRA PTC grant, state infrastructure bank (SIB), and private bond funds in years one and two.

FCP-28a Positive Train Control (PTC) Debt Service: Beginning in year one and beyond, GRT and 5337 funds will be used to pay off the SIB loan and private bonds. This will continue beyond the horizon of this CIP.

None of the projects listed in the table or paragraphs below are funded. However, this information can serve as a resource for federal, state and/or other grant/capital outlay opportunities.

Capital Projects Program (Unfunded)			
Project ID	Project	Unit	Cost
UCP-4	Los Lunas Siding	1	\$2,000,000
UCP-5	Main #2 (Hahn Lead) Extension	1	\$4,600,000
UCP-7	Centralized Traffic Control, Lomas Blvd. to CP Hahn	1	\$2,000,000
UCP-8	Centralized Traffic Control, CP Abajo to Lomas Blvd.	1	\$2,000,000
UCP-10	Wind Generators	2	\$5,000
UCP-11	Office Space	1	\$800,000
UCP-12	Warehouse Space	1	\$450,000
UCP-13	Train Wash	1	\$1,200,000
UCP-14	80-Ton Crane	1	\$120,000
UCP-16	Rio Metro Staff Hand Tool Replacement	1	\$26,500
UCP-17	Rio Metro Communications Equipment (Radios)	1	\$10,000
UCP-18	Chloe Siding Extension	1	\$4,025,000
UCP-19	Los Lunas Quiet Zone	1	\$500,000
UCP-20	Town of Bernalillo Quiet Zone	1	\$560,000
UCP-21	South Second Street Quiet Zone	1	\$775,000
UCP-22	Bi-Level Coach Car Purchase	1	\$2,900,000
UCP-23	Bi-Level Cab Car Purchase	1	\$3,200,000
UCP-24	Locomotive Purchase	1	\$4,000,000
UCP-26	Tie Replacement, Madrid to Lamy	3,000/Year	\$450,000
UCP-27	Fencing, Madrid to Lamy	5 Miles/Year	\$50,000
UCP-30	Train Camera System Upgrade	9 Loc/9 Cab/13 Car	\$500,000
UCP-31	Facility Land Purchase	1	\$1,000,000
UCP-33	Station Train Warning System	1	\$70,000
UCP-34	Wheel Truing Machine Acquisition	1	\$166,000
UCP-35	Automatic Passenger Counters	1	\$250,000
UCP-42	Maintenance Facility Improvements	Phased	\$15,000,000
UCP-50	Seat Replacement	1 Car/Year	\$50,000
UCP-52	Yard Safety Improvements	1	\$100,000
UCP-53	Locomotive/Cab/Coach Car Exterior Refinish	\$6,000/Vehicle	\$186,000
UCP-54	Wi-Fi System Upgrade	1	\$1,800,000
UCP-55	Kewa Pueblo Quiet Zone	1	\$300,000
UCP-56	ADA Improvements at Stations	1	\$135,000
Total Cost			\$49,228,500

UCP-4 Los Lunas Siding: Currently, there is only one functional siding (Isleta) along the 30 miles of single track between Belen and Albuquerque. This often results in delays for Rail Runner trains and BNSF trains that commonly carry time-sensitive UPS shipments. This project would reconstruct and upgrade a 3,000-foot section of defunct railroad siding in the Village of Los Lunas between the Los Lunas Station and Morris Road. In order to restore functionality, new subgrade, ballast, track, switches and signals will be necessary, but once implemented, this southern section of the NMRX corridor will benefit from the additional track capacity, movement flexibility and safety. The Los Lunas siding is expected to cost \$2 million.

UCP-5 Main #2 (Hahn Lead) Extension: As noted with the Alameda Siding project (FCP-3), there are no passing locations in the 14-mile stretch of railroad between Control Point Hahn (Griegos Rd.) in Albuquerque and the Town of Bernalillo. This project proposes to extend Main #2 (Hahn Lead) northward by 1.3 miles from MP 899.1 to MP 897.9. Currently, this section of track is dilapidated, requiring the roadbed, existing bridge structures, and track to be reconstructed, along with the installation of new signals and switches. These improvements, anticipated to cost upwards of \$4.6 million, would reduce delays stemming from trains running behind schedule, especially in the vicinity of the Montano Station, in addition to providing more scheduling flexibility for NMRX and Amtrak trains that are running on time.



UCP-7 Centralized Traffic Control, Lomas Blvd. to Control Point Hahn: Currently, a portion of the track between Lomas Blvd. and Control Point Hahn does not have a signal system and is governed by restricted limits (20 mph or less). Providing signals within this section would not only increase speeds, but also add another layer of safety for train crews and passengers. This project would involve procuring new signal and track material, new powered switches, and making all necessary hardware and software changes to accommodate the new signal system. The estimated cost of this project is \$2 million.

UCP-8 Centralized Traffic Control, Control Point Abajo to Lomas Blvd.: This companion project to UCP-7 would involve similar work from Lomas Blvd. south to Control Point Abajo. This section is also governed by restricted limits and train speeds of 20 mph or less. The estimated cost of this project is \$2 million.

UCP-10 Wind Generators: Some of the signal and communication equipment along the NMRX corridor are located in remote areas distant from grid power. Several of these installations are powered with solar panels and rechargeable batteries. Unfortunately, the solar panels are subject to periodic vandalism. This project would purchase two wind generators at a cost of \$5,000 a piece to determine their viability versus solar power.

UCP-11 Office Space: \$800,000 would be used to purchase modular office space for RMRTD rail staff and HTSI staff to replace the office space that is currently leased adjacent to the NMRX maintenance facility.

UCP-12 Warehouse Space: \$450,000 would be used to construct warehouse space for equipment, parts and material storage to replace the warehouse space that is currently leased adjacent to the NMRX maintenance facility.

UCP-13 Train Wash: NMRX trains are currently washed using a power wand and a semi-mechanized side brush. Using these devices makes it difficult to access all parts of the train (particularly the top) and the process is labor intensive. Most commuter rail operations have a fixed train wash that the train is driven through at slow speed while brushes and high-pressure water streams hit all areas of the train-set. These wash machines are expensive but highly efficient, cleaning the trains safely and quickly. The cost for installing a train wash at the NMRX maintenance facility is estimated at \$1.2 million.



UCP-14 80-Ton Crane: Heavy maintenance activities associated with locomotives and train cars often require heavy-duty lifting capacities. Pulling HEP engines, HVAC units or lifting cars or locomotives to replace wheel sets periodically requires the use of a rental cranes. Also, moving heavy parts around the maintenance facility and warehouse is accomplished using equipment (forklifts, jack-stands) that are more labor intensive and less efficient for the task. Obtaining an 80-ton crane at an estimated cost of \$120,000 would eliminate these inefficiencies.

UCP-16 Rio Metro Staff Hand Tool Replacement: Rio Metro rail division staff maintains all of the NMRX stations and perform other duties using a wide variety of hand and power tools. Many of these tools are reaching the end of their product life. The proposed \$26,500 allocation would provide for new hand and power tools to replace the aging stock.

UCP-17 Rio Metro Communications Equipment (Radios): Almost all Rio Metro rail personnel utilize a radio (handheld or vehicle based) on a regular basis to monitor train activity and to respond to emergencies and other issues (calls for maintenance, weather events, etc.). The current set of radios needs to be replaced, with an estimated cost of \$10,000.

UCP-18 Chloe Siding Extension: The Chloe siding is located at the south end of the NMRX corridor in Belen. It is an older siding that can only be entered from one end, severely limiting its function. BNSF freight trains are often cleared by NMRX dispatch to run from Albuquerque to BNSF's Belen yard adjacent to the Belen Rail Runner Station. Periodically, due to Belen yard congestion, BNSF freight trains are held just north of the yard by BNSF dispatch, preventing NMRX trains from entering or leaving the Belen Station. This project would revamp and extend the Chloe siding from its current termini into the Belen yard and provide storage space for freight trains waiting to enter the yard. The project is estimated to cost over \$4 million, although a significant cost sharing arrangement with BNSF would be pursued before this project is considered for funding.

UCP-19 Los Lunas Quiet Zone: The Los Lunas Quiet Zone project would install quad gate systems at Courthouse Road and Morris Avenue. Quad gates would largely eliminate train horn blowing at these crossings and reduce the frequency of train horn blowing in central Los Lunas. The cost of this project is estimated at \$500,000.

UCP-20 Town of Bernalillo Quiet Zone: The Town of Bernalillo Quiet Zone project would install quad gates at the Avenida Bernalillo and Lucero Avenue crossings (the Lucero Avenue crossing would also require

some additional improvements). As these are the only two grade crossings in the Town of Bernalillo, this project would essentially eliminate train horn blowing in this community. The project cost is estimated at \$560,000.

UCP-21 South Second Street Quiet Zone: The South Second Quiet Zone project would implement quad gates at the Rio Bravo Blvd., Prosperity Ave. and Desert Rd. crossings. These improvements will largely eliminate train horn blowing at these crossings and reduce the frequency of train horn blowing in the South Valley. The cost of this project is estimated at \$775,000; however, this cost is likely to decrease as Prosperity Rd. received quad gates with a Bernalillo County project and Desert Rd. will receive the same with a Federal Lands Access Program project.

UCP-22 Bi-Level Coach Car Purchase:

The NMRX coach car fleet will require mid-life overhauls 20-25 years from first use. In order to maintain a reasonable spare ratio once the overhaul cycle starts in 2025, it would be beneficial to secure a new coach car. The estimated cost of a new coach car is approximately \$2.9 million.



UCP-23 Bi-Level Cab Car Purchase:

The NMRX cab car fleet will require mid-life overhauls 20-25 years from first use. In order to maintain a reasonable spare ratio once the overhaul cycle starts in 2025, it would be beneficial to acquire a new cab car. The estimated cost of a new cab car is approximately \$3.2 million.

UCP-24 Locomotive Purchase: The NMRX service currently utilizes nine locomotives. Under normal weekday operations six of the nine locomotives are used in service. Of the remaining three, one to two are typically in the shop for preventive maintenance or repair, while the other is deployed as part of the spare set if a service disruption or other event necessitates its use. To better preserve the spare ratio during the locomotive overhaul process, it would be beneficial to procure an additional locomotive. The cost of a new locomotive is estimated at \$4 million.

UCP-26 Tie Replacement, Madrid to Lamy: The 22-mile section of track from Control Point Madrid to Lamy is used twice a day by Amtrak trains. BNSF once ran freight on this section, which generated lease revenue to support most maintenance activities; however, this freight traffic and its corresponding revenue largely disappeared in 2010. TIGER funding was programmed in FY2017 for the installation of 19,000 ties on this section, and, in order to keep this track at its current class and allow reasonable train speeds, approximately 3,000 new ties will need to be installed each year. The cost of purchasing and installing these ties is estimated at \$450,000 annually.

UCP-27 Fencing, Madrid to Lamy: In order to limit trespassing and minimize the potential for livestock and animal strikes, the fencing between Control Point Madrid and Lamy needs to be continuously maintained and improved. \$50,000 will provide about five miles of new fencing each year as part of a continuous fencing program.

UCP-30 Train Camera System Upgrade: On-board video surveillance would provide greater accountability of passengers and crew, and aid in the investigation of operations-related incidents. This project would install inward facing cameras in locomotive and cab car control rooms as well as in all passenger cars. Video capture/storage hardware and software is also included in the estimated cost of \$500,000.

UCP-31 Facility Land Purchase: Rio Metro recently completed a feasibility study that evaluated potential improvements to and alternative layouts for the NMRX maintenance facility. Some of the existing functions, particularly administration and material storage, depend upon leased land and buildings. The study recommended the acquisition of additional vacant land adjacent to NMDOT-owned Rail Runner property for the eventual construction of a new administration/maintenance building with improved indoor and outdoor storage. The land purchase is the first step in this long-term project and is estimated to cost \$1 million.

UCP-33 Station Train Warning System: Rio Metro has been investigating technologies to provide passengers with advance warning of approaching trains at certain Rail Runner stations, including the Kewa, Sandoval Co./US 550, Sandia Pueblo, Los Ranchos/Journal Center, Montano, Bernalillo County and Isleta Pueblo stations. While Rail Runner trains stop at these stations and therefore approach them at relatively slow speeds, Amtrak trains pass these stations at much higher speeds, often nearing 80 mph. The advanced warning system will provide passengers with audible and visual warnings of approaching trains. The total cost to implement this system at these seven stations is \$164,000. Installations have already occurred at four stations. The cost to install this system at the three remaining stations is \$70,000.

UCP-34 Wheel Truing Machine Acquisition: A wheel truing machine would be used to true wheels that are condemnable based on FRA regulations because of flat spots, gouges, thin flange, high flange, etc. Currently, wheels are shipped to an out-of-state vender for truing, a process that is both costly and time consuming. This is particularly true for locomotive wheels, as the trucks have to be disassembled as part of the process. The purchase of a wheel truing machine would significantly reduce maintenance costs and the associated turnaround time. The estimated cost of this machine is \$166,000.

UCP-35 Automatic Passenger Counters: Rio Metro is required by the FTA to submit passenger counts (e.g., ridership or boardings) and other performance data to the National Transit Database (NTD). It is essential that this data be accurate, as ridership is used to calculate a portion of the FTA formula funds that Rio Metro receives each year. While ridership on Rail Runner trains has historically been counted manually by on-board staff, Rio Metro has investigated automatic passenger counting devices that can be placed above each coach and cab car door to gather the same information. The estimated cost to purchase and install these devices is \$250,000.

UCP-42 Maintenance Facility Improvements: A 2016 study identified several recommendations for improving the NMRX maintenance facility. For example, the west side of the NMRX maintenance pit and structure is not enclosed and is exposed to the elements including precipitation, wind, dust and sunlight. In addition, office and warehouse space are currently leased to house Rio Metro and HSTI staff and equipment. Rio Metro and HSTI could forgo the lease if a new, more accommodating space were constructed. Costs of an improved maintenance facility vary depending on the extent of the improvements, although a substantially improved facility is estimated to cost approximately \$15 million.

UCP-50 Seat Replacement: To ensure the continued comfort of NMRX passengers and the cleanliness of trains, \$50,000 is needed annually to replace all of the seat cushions in one car per year.



UCP-52 Yard Safety Improvements: In an effort to improve the safety of walkways and track crossovers within the NMRX maintenance yard, \$100,000 would be committed to rehabilitate and enlarge these facilities throughout the yard.

UCP-53 Locomotive/Cab/Coach Car Exterior Re-Finish: The Motive Power locomotives and Bombardier bi-level cab and coach cars entered service in 2006 and 2008. Since that time, weathering (sunlight, rain, wind and sand) has negatively affected the exterior paint and Rail Runner logo, and altogether diminished the look and appeal of the rolling stock. Several companies specialize in refinishing car exteriors, which includes paint touch up, waxing and buffing, and treating the entire exterior with a weather- and UV-resistant coating. Approximately \$186,000 would be needed to refinish all 31 vehicles (\$6,000 each).

UCP-54 Wi-Fi System Upgrade: The NMRX Wi-Fi system has not been upgraded since its installation in 2011. In time, the system's performance has degraded as equipment has failed and parts are unable to be replaced because they are obsolescent and proprietary. Rio Metro has investigated potential solutions and identified the improvements required to restore the system to full functionality. The total cost is approximately \$1.8 million.

UCP-55 Kewa Pueblo Quiet Zone: The Kewa Pueblo Quiet Zone would install quad gate systems at ISR 88 and asphalt approaches to the crossing. Quad gates would largely eliminate train horn blowing at this crossing. The cost of this project is estimated at \$300,000.

UCP-56 ADA Improvements at Stations: This iteration of the NMRX CIP initiates a specific effort to address Americans with Disabilities Act of 1990 (ADA) requirements at Rail Runner stations. Rio Metro is required by the U.S. Department of Transportation to ensure that all newly constructed transportation facilities are readily accessible to and usable by individuals with disabilities. Additionally, Rio Metro is required, when making alterations to Rail Runner facilities, to ensure that such alterations are readily accessible to the maximum extent possible.

As part of this effort, described in Americans with Disabilities Act Transition Plan for New Mexico Rail Runner Express Stations (Transition Plan), Rio Metro staff 1) identified and compiled an inventory of physical obstacles that limit access to Rail Runner facilities, 2) described the conditions needed to make the facilities accessible, and 3) developed an initial schedule of for the required improvements.

Project UPC-56 contains the corrective actions identified in the Transition Plan. There are eleven total projects in this category, each of which are described in more detail in Section 2 of the Short Range Plan. Section 2 also includes each project's priority, station, type of effort, a timeframe and estimated cost. Including the ADA corrective actions into the Short Range Plan's capital plan and progress report ensures these activities will be integrated into Rio Metro's annual budgeting and reporting activities, helping ensure a continuous effort to complete all mitigation activities.



Section 4: Rio Metro Regional Transit District Infrastructure Capital Improvement Plan

The RMRTD Infrastructure Capital Improvement Plan is a five-year planning tool that prioritizes unfunded and underfunded projects. It is created and submitted annually as part of the State of New Mexico's coordinated ICIP process, which is intended to help local governments sustainably plan for the future while also informing state legislators' and cabinet departments' capital outlay appropriations.

The following projects have been previously vetted through the development of the Short Range Plan and the NMRX CIP, and are more fully described in those sections. Generally, these projects emphasize:

- Improvements to the Rail Runner corridor that increase safety, speed and capacity while conversely reducing travel time and delay;
- Ensuring the Rail Runner and bus fleets remain in a state of good repair;
- Constructing permanent facilities for both rail and transit administration and maintenance; and
- Advancing bus rapid transit.

RMRTD Infrastructure Capital Improvement Plan (FY2020-FY2024)

Priority	Project	Cost	Short Range Plan #	NMRX CIP #
2020-1	Main #2 (Hahn Lead) Extension	\$4,600,000	1.A.1	UCP-5
2020-2	Centralized Traffic Control, Abajo to Hahn	\$4,000,000	1.A.2	UCP-7/8
2020-3	Los Lunas Siding	\$2,000,000	1.A.3	UCP-4
2020-4	Valencia County Transit Facility	\$3,000,000	2.B.2	--
2020-5	Bus Purchase (New and Replacement)	\$3,347,000	2.C.1	--
2020-6	UNM/CNM/Sunport Bus Rapid Transit	\$65,000,000	2.C.2c	--
2020-7	Chloe Siding Extension	\$4,025,000	1.A.7	UCP-18
2020-8	Facility Land Purchase	\$1,000,000	--	UCP-31
2020-9	Maintenance Facility Improvements	\$15,000,000	--	UCP-42
2020-10	Office/Warehouse Space	\$1,250,000	--	UCP11/12
2020-11	Los Lunas Quiet Zone	\$500,000	--	UCP-19
2020-12	Town of Bernalillo Quiet Zone	\$560,000	--	UCP-20
2020-13	South 2nd Street Quiet Zone	\$775,000	--	UCP-21
2020-14	Kewa Pueblo Quiet Zone	\$300,000	--	UCP-55
2020-15	Locomotive Purchase	\$4,000,000	--	UCP-24
2020-16	Bi-Level Cab Car Purchase	\$3,200,000	--	UCP-23
2020-17	Bi-Level Coach Car Purchase	\$2,900,000	--	UCP-22
2020-18	NMRX Bridge and Drainage Reconstruction	\$6,000,000	--	CM-12/14
2020-19	Ties, Rail & Fencing, Madrid to Lamy	\$3,000,000	--	UCP-26/27
		Total	\$124,457,000	

Tab 14b
Request for
Approval of
Proposed
Amendments to
Commission Policy
No. 32, Mineral and
Water Rights (CP32)

Commission Brief

SUBJECT: Proposed amendments to Commission Policy No. 32, *Mineral and Water Rights* (CP 32).

PRESENTER: Stephen Thies, Assistant General Counsel

BACKGROUND:

CP 32 provides that prior Commission review and approval is required to dispose of mineral and water rights.

Reissuance of CP 32 is required at this time in accordance with the provisions of Commission Policy No. 4.

The first paragraph of CP 32, entitled "Reference", has been amended to include two additional statutory citations. No other changes have been made to the policy.

ACTION: The Commission is requested to take action to approve the proposed amendments to CP 32.

July 19, 2018

NEW MEXICO STATE TRANSPORTATION COMMISSION



CP 32

~~11/15/12~~ 00/00/00

Mineral and Water Rights

Reference: NMSA 1978, Sections 42-2-3, 67-2-6 and 72-5-37

This Commission Policy supersedes Commission Policy No. 32 dated ~~October 18,~~
2007 November 15, 2012.

It is the policy of the New Mexico State Transportation Commission that prior Commission review and approval shall be required to dispose of Department mineral and water rights.

NEW MEXICO STATE TRANSPORTATION COMMISSION



CP 32
00/00/00

Mineral and Water Rights

Reference: NMSA 1978, Sections 42-2-3, 67-2-6 and 72-5-37

This Commission Policy supersedes Commission Policy No. 32 dated November 15, 2012.

It is the policy of the New Mexico State Transportation Commission that prior Commission review and approval shall be required to dispose of Department mineral and water rights.

Tab 14c
Request for
Approval of
Proposed
Amendments to
Commission Policy
No. 65, Interstate
Access (CP65)

Commission Brief

SUBJECT: Proposed amendments to Commission Policy No. 65, *Interstate Access* (CP 65).

PRESENTER: Stephen Thies, Assistant General Counsel

BACKGROUND:

In its existing form, CP 65 directs that new or modified interstate accesses shall be approved by the Commission, provided that no impact or minimal impact on public safety can be assured. CP 65 also describes the specific procedure that must be followed when new or modified interstate access is requested by local government agencies, Indian nations, tribes, and pueblos or their representatives.

Based on input from a team of NMDOT subject matter experts, CP 65 has been amended to refine the language of the policy to be consistent with NMDOT's current practice.

ACTION: The Commission is requested to take action to approve the proposed amendments to CP 65.

July 19, 2018

NEW MEXICO STATE TRANSPORTATION COMMISSION



CP 65

00/00/00 **09/16/10**

Interstate Access

Reference: NMSA 1978, Sections 67-11- 4 through 67-11-5 and 67-11-7 through 67-11-9; 23 U.S.C. 109 and 111, 23 C.F.R. 625.4, and 48 C.F.R. 1.48(b)(1)

This Commission Policy supersedes Commission Policy No. 65 dated ~~October 18, 2002~~ September 16, 2010.

It is the policy of the New Mexico State Transportation Commission that requests for new or revised interstate access points to Interstate System under Title 23, United States Code (U.S.C.), Section 111, which are requests for direct access to the interstate or requests that will have a major impact on the operation or function of existing interchanges, ramps, crossroads, or other access points, shall be handled as specified by applicable state and federal law, rules, regulations and procedures. The Secretary shall formulate suitable directives and procedures for the implementation of this Policy. ~~new or modified interstate accesses shall be approved provided no impact or minimal impact on public safety can be assured.~~

A. ~~Local governmental agencies, Indian nations, tribes, and pueblos, and private interests working with local governmental agencies, Indian nations, tribes, and pueblos, may request a new or modified interstate access through the Secretary of Transportation (hereinafter "Secretary").~~

1. ~~The requesting local governmental agency, Indian nation, tribe, or pueblo shall certify available funding for the feasibility study.~~
2. ~~The requesting local governmental agency, Indian nation, tribe, or pueblo shall execute an agreement with the Department, in form and substance acceptable to the Department in its sole discretion, for design, construction and maintenance funding responsibilities.~~
 - a. ~~Design, construction and maintenance for new or modified interchanges determined by systematic traffic engineering studies shall be at the Department's expense.~~
 - b. ~~Design, construction and maintenance for new or modified interchanges requested by a local governmental agency, Indian nation, tribe, or pueblo to accommodate new business development shall be at the requesting local governmental agency, Indian nation, tribe, or pueblo's expense.~~

- ~~c. Design, construction and maintenance for new or modified interchanges determined by progressive population growth with increased traffic flow and new business development shall be shared proportionately to the increased traffic flow by the Department and the requesting local governmental agency, Indian nation, tribe, or pueblo.~~
 - ~~B. The Secretary shall review the request, including the certification and memorandum of understanding, for compliance with applicable rules, regulations and standards.~~
 - ~~C. The Secretary shall present the request to the Commission with an analysis and recommendation.~~
 - ~~D. Requests approved by the Commission shall be submitted to the Federal Highway Administration for approval and subsequent inclusion in the Department's Statewide Transportation Improvement Program.~~
 - ~~E. The Secretary is delegated the authority to construct or approve the construction of temporary or emergency interstate access modifications. Such authority may be delegated by the Secretary to District Engineers for emergency interstate access modifications as necessary for the safety of the traveling public. Temporary interstate access modifications shall have concurrence from the Federal Highway Administration.~~
 - ~~F. The Secretary shall formulate suitable directives and procedures for the implementation of this Policy.~~
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NEW MEXICO STATE TRANSPORTATION COMMISSION



CP 65

00/00/00

Interstate Access

Reference: NMSA 1978, Sections 67-11- 4 through 67-11-5 and 67-11-7 through 67-11-9; 23 U.S.C. 109 and 111, 23 C.F.R. 625.4, and 48 C.F.R. 1.48(b)(1)

This Commission Policy supersedes Commission Policy No. 65 dated September 16, 2010.

It is the policy of the New Mexico State Transportation Commission that requests for new or revised interstate access points to Interstate System under Title 23, United States Code (U.S.C.), Section 111, which are requests for direct access to the interstate or requests that will have a major impact on the operation or function of existing interchanges, ramps, crossroads, or other access points, shall be handled as specified by applicable state and federal law, rules, regulations and procedures.

The Secretary shall formulate suitable directives and procedures for the implementation of this Policy.
