

**NEW MEXICO  
DEPARTMENT OF TRANSPORTATION**

**TRANSPORTATION COMMISSION MEETING**



**March 25, 2021**

**Via Zoom**

# NEW MEXICO STATE TRANSPORTATION COMMISSION

Via Zoom

March 25, 2021

9:00 a.m.

## Meeting Agenda

1. **Call to Order:** Walter G. Adams, Chairman
  - a. **Establish Quorum**
  - b. **Pledge of Allegiance**
2. **Approval of Agenda:** Walter G. Adams, Chairman
3. **Approval of Minutes:** Regular Meeting of January 22, 2021
4. **Introductions:** Walter G. Adams, Chairman
  - a. **Elected Officials**
  - b. **Commission Members**
  - c. **NMDOT Executive Staff**
5. **Welcoming Remarks:** Walter G. Adams, Chairman
6. **Public Comment**
7. **Best Paving Awards:** Brian Jones, Executive Director, Asphalt Paving Association of NM
8. **Secretary Report:** Michael Sandoval, Cabinet Secretary, NMDOT
9. **FHWA Report:** Melinda Roberson, Acting Division Administrator, FHWA
10. **District Four Update:** James Gallegos, P.E., District Four Engineer, NMDOT
11. **Finance Reports**
  - a. **Financial Status Update:** Mallery Manzanares, Acting Administrator Services Director, NMDOT
  - b. **Approval of Budget Adjustment Request (BAR) No. 20 – US 550 Warranty:**  
Rick Padilla, P.E., Executive Director, NMDOT
  - c. **Approval of Budget Adjustment Request (BAR) No. 21 – Bond Refunding:**  
Tamara P. Hass, P.E., Capital Programs and Investments Division Director, NMDOT
  - d. **Approval of Budget Adjustment Request (BAR) No. 22 – FHWA Releases:** Mallery Manzanares, Acting Administrator Services Director, NMDOT
  - e. **Approval of Budget Adjustment Request (BAR) No. 23 – Brine Well:**  
Mallery Manzanares, Acting Administrator Services Director, NMDOT
  - f. **FY20/21 Financial Hardship Match Waiver Program Local Government Road Fund:**  
Clarissa Martinez, Statewide LGRF Manager, NMDOT
  - g. **NMFA Report:** Mark Lovato, Investment Manager, NMFA
12. **Policy Reports:**

- a. **Final rule action report and recommendation to adopt Rule 18.27.6 – the Transportation Project Fund, to be effective April 20, 2021:** Stephen P. Thies, Assistant General Counsel, NMDOT
- b. **Proposed reinstatement of and amendments to State Transportation Commission Policy No. 83, *Priority Determination for Highway Improvements (CP83)*, including title change to “*Priority Determination for Transportation Projects*”:** Tamara P. Haas, P.E., Capital Programs and Investments Division Director, NMDOT
- c. **Approval of Resolution No. 2021-01 (MAR) – Authorizing Bond Resolution:**  
Tamara P. Haas, P.E., Capital Program and Investments Division Director, NMDOT  
Peter Shellenberger, Managing Director, PFM Financial Advisors LLC I Public Financial Management, Inc.  
Ken Guckenberger, Bond Counsel for NMDOT, Kutak Rock LLP
- d. **Safety concerns with large truck traffic on NM 14 through Madrid and discuss the need to impose vehicle length restrictions on NM 14:** Rick Padilla, P.E., Executive Director, NMDOT & Paul Brasher, P.E., District Engineer, District Five, NMDOT

### 13. Adjournment

# Tab 1-2



# **Agenda Items 1-2**

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

# Tab 3

## **Approval of Minutes**

**NEW MEXICO STATE TRANSPORTATION COMMISSION**  
**MEETING**

**Video Conference Meeting**

**January 22, 2021**

The New Mexico State Transportation Commission (STC or Commission) held a regular meeting via video conference on January 22, 2021. Chairman Adams called the meeting to order at 9:02 a.m. He asked for a roll call to establish a quorum. Mershawn Griego, Office of the Secretary, New Mexico Department of Transportation (NMDOT), proceeded to call the roll. Commissioners Jennifer Sandoval, Bruce Ellis, Hilma E. Chynoweth, Walter G. Adams, and Charles Lundstrom were present. Commissioner Thomas Taylor had technical difficulties connecting to the video conference but was able to join the meeting later.

**Approval of the STC Meeting Agenda**

**Chairman Adams asked for a motion to approve the STC agenda with the following changes: move item 6(b) (Autonomous Vehicle Plan – NM & Gallup) to item 10 (Secretary Report) and move item 10 to 6(b). Commissioner Ellis made a motion to so approve; Commissioner Lundstrom seconded; motion carried unanimously.**

**Approval of the STC Minutes**

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

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**State Transportation Commissioners Present:**

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

**NMDOT Staff Present:**

Michael Sandoval, Cabinet Secretary  
Justin Reese, Deputy Secretary  
Rick Padilla, Executive Director of Highway Operations  
Jerry Valdez, Executive Projects Director  
Kenneth B. Baca, General Counsel  
NMDOT Staff

**Elected Officials and Delegations Present:**

The Honorable Harry Garcia, New Mexico State Representative, District 69  
The Honorable Joy Garratt, New Mexico State Representative, District 29  
The Honorable Anthony Allison, New Mexico State Representative, District 4  
The Honorable Ambrose Castellano, New Mexico State Representative, District 70  
The Honorable Angelica Rubio, New Mexico State Representative, District 35  
The Honorable Patricia Lundstrom, New Mexico State Representative, District 9  
The Honorable Cynthia Borrego, Albuquerque City Council President, District 5  
The Honorable Janis Jakino, Farmington City Council, District 4  
The Honorable Anna Hansen, Santa Fe County Commission, District 2  
The Honorable Candyce O'Donnell, Taos County Commission Chair, District 5  
The Honorable Veronica Serna, Mora County Commission Chair, District 1  
The Honorable Linda Calhoun, Mayor, Red River  
The Honorable Cynthia Atencio, Mayor, Bloomfield

**Introduction**

Chairman Adams welcomed attendees to the STC meeting and asked if anyone in attendance would like to speak.

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## **Public Comment**

### **Paseo del Norte & Unser Boulevard Improvements**

The Honorable Cynthia Borrego, Albuquerque City Council President, expressed her gratitude for the assistance the City of Albuquerque received on the Paseo del Norte/Unser Boulevard project. For the \$26 million public contribution for the project, the City raised \$17,749 million and received an additional \$100,000 from the Bernalillo County Commission. She also discussed the related Unser Boulevard project that requires a \$26 million public contribution. The City would like to fill an \$8 million dollar gap for the project.

Patrick Montoya, Director of Municipal Development, City of Albuquerque, gave a presentation on the project to improve roadway cross sections for Paseo del Norte (from Calle Nortena to University Boulevard) and Unser (from Kimmick Drive to Paradise Road). Unser is the main road into Rio Rancho on the west side and Paseo takes traffic onto I-40 northbound. These are the two major roads in Albuquerque that are not fully developed, but are carrying a major volume of traffic on a daily basis. Both are a part of the Long Range Roadway System and are a limited access roadways. Crashes have increased considerably since 2016. One disadvantage is where the road goes from four lanes to two lanes, there is major congestion. There have been reports of fire engines and police that cannot respond in a timely manner. It will cost approximately \$42 million to construct the road as a limited access urban arterial street. The public sector will cover \$26 million. Approximately \$18 million has been raised, and it will require an additional \$8 million to fully complete Paseo. Contributions in the amount of \$14 million will be sought from the private sector.

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By spring of 2021, right of way acquisition will begin for the 86 parcels needed for the project.

### **Secretary's Report**

The Secretary outlined NMDOT's 2021 legislative package, which includes nine bills that have been approved to move forward. Six of the bills were pre-filed and have been introduced. The others are in the final stages of drafting. NMDOT's presentation to the House Transportation Committee is Tuesday at 8:30 a.m. The general status of NMDOT will be discussed, including budget and public transportation systems that NMDOT funds. On Thursday, starting at 8:30 a.m., each of the District Engineers will make individual presentations. The same presentations will be made to the Senate Tax, Business and Transportation Committee on Tuesday and Thursday, starting at 1:30 p.m.

Secretary Sandoval outlined the particulars and the current status of each of NMDOT's 2021 bills. He also reported that NMDOT will be discussing its operating budget with the Senate Finance Committee on February 10, at approximately 1:30 p.m., and will present its budget again at the House Appropriations and Finance meeting scheduled on February 16, at approximately 1:30 p.m.

The Secretary also reported that the President signed the latest COVID-19 Recovery Package with specific funding to go to State Departments of Transportation. There is about \$9.8 billion in that bill and through the current funding formula for states, NMDOT will receive about \$91.2 million. FHWA partners are working on establishing restrictions; when divulged, NMDOT will know what it can spend this money on. The point of this funding is to backfill some of the

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revenue losses that Departments of Transportation have experienced due to reduction in gasoline revenues resulting from decreased gasoline sales. New Mexico gasoline tax revenue was down about 9%.

A portion of the \$91.2 million will go to larger Metropolitan Planning Organizations (MPO). This could be a potential funding source for the Paseo del Norte project, but will have to go through the area MPO.

NMDOT has not made any decisions with respect to the portion of funds it will receive. Secretary Sandoval will assess NMDOT's status following the legislative session and put a comprehensive plan together. The operating budget for this year is going to be about the same as last year, about \$1 billion. NMDOT is in negotiations with the House Transportation Committee that reviews the budget. The budget prepared for NMDOT by the Legislative Finance Committee (LFC) currently includes an additional \$250 million of General Fund/Severance Tax money. \$100 million is for cities and counties that will be subject to the 95% / 5% match fund requirement for local entities. \$150 million in the LFC budget will go directly to NMDOT for any type of projects.

Chairman Adams asked that the local entities have the projects shovel ready so if the money is distributed, they will be ready to use it.

Secretary Sandoval mentioned that NMDOT expended approximately \$57 million from the Transportation Project Fund in 2019. The majority of that amount has either been spent or is encumbered. About \$113 million of projects were not funded. If the \$100 million identified in the proposed FY22 budget for NMDOT is approved by the Legislature, NMDOT will issue a request for projects in May, have projects identified in June, scores in July, and present a list to the STC for approval in September.

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At the beginning of Secretary Sandoval's tenure as Cabinet Secretary, NMDOT's vacancy rate was at 21%. The rate was reduced to 15% in March 2020, but due to the pandemic and hiring freeze it increased to 20%. The vacancy rate is currently at 16%. Secretary Sandoval's goal is to reduce it to approximately 10-12%.

Secretary Sandoval discussed the security guards that are now present 24 hours a day, 7 days a week at the Taos rest area. Incidents of vandalism in the vicinity have increased and vendors have not been obeying the mask mandate. To date, the security guards have helped prevent two suicides at the Gorge Bridge. The Secretary mentioned that a budget adjustment request (BAR) to cover the costs for security services will be presented later in the STC meeting.

Commissioner Ellis requested additional information about legislative meetings and the numbers of NMDOT's bills.

### **District Five Update**

Paul Brasher, P.E., District Five Engineer, NMDOT, provided an update regarding District Five, during which he discussed the District's various projects, pavement preservation, maintenance and other activities. He also acknowledged and thanked District Five staff for helping with COVID-19 activities.

The Honorable Cynthia Atencio, Mayor, Bloomfield, commented that the striping on US 550 and US 64 in Bloomfield is faded and inquired about when it will be redone.

District Five has issued a Purchase Order for a contractor to do striping, and will add the two identified highway segments to the work list.

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The Honorable Anna Hansen, Santa Fe County Commissioner, asked about how to request budget for NMDOT let projects. David Quintana, Chief Engineer, replied that NMDOT will be looking at shovel ready projects. If they are state roads, NMDOT will consult with the MPOs in order to program the projects for funding and development.

## **Finance Reports**

### **NMDOT Financial Status Update**

Mallery Manzanares, Budget Director and Acting ASD Director, NMDOT, presented the NMDOT financial status update as of December 31, 2020. In FY21, \$912.3 million was loaded into NMDOT's operating budget, rollover budget was \$534.6 million and increased budget authority, \$96.8 million. In six months, NMDOT received \$337.2 million in revenue and spent \$426.8 million. FY21 fund balances are as follows: State Road Fund, \$28.7 million; and Restricted Funds, \$32.6 million.

Commissioner Adams asked if NMDOT is presently on track. Mrs. Manzanares stated that current revenue projections indicate NMDOT will complete FY21 better than anticipated.

### **Approval of FY21 Budget Adjustment Request (BAR) No. 18 - P564 - BSUP (Broadband)**

Jeremy Lovato, Chief Information Officer, NMDOT, presented and requested approval of FY21 BAR No. 18 - P564 - BSUP (Broadband). The BAR is required to increase the budget authority in Other Financing Uses (Category 500) by \$3.2 million. NMDOT will transfer the funds from State Road Fund balance to the New Mexico Economic Development Department (EDD) for broadband initiatives in rural areas throughout the State.

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Commissioner Lundstrom asked about this initiative and who is leading it. Secretary Sandoval responded the request was made by EDD Secretary Alicia Keyes, and explained that EDD and NMDOT are working on a joint project. A few companies are coming to New Mexico to provide statewide broadband service. NMDOT is involved because of its patrol yard communication systems and the planned expansion of its Intelligent Transportation System (ITS). Jeremy Lovato mentioned that NMDOT has played a large part in the planning and development of the proposed state broadband network.

Commissioner Ellis asked if this will have long term benefits. Secretary Sandoval responded there is an immediate need for broadband due to the pandemic. NMDOT is focused on being a leader in broadband and would like to get service for its patrols and ITS. Commissioner Taylor commented that in other states when road work is being done, conduit is installed for fiber. He inquired if NMDOT has considered that as policy. Secretary Sandoval replied it is a NMDOT policy that has been in place for approximately 9 months. Every project in design will be considered for the placement of conduit and the cost will be part of the construction project. Any company that wants to use NMDOT right of way to install fiber for its use will also have to provide conduit to NMDOT.

**Chairman Adams asked for a motion to approve FY21 BAR No. 18 - P564 - BSUP (Broadband); Commissioner Lundstrom made a motion to so approve; Commissioner Chynoweth seconded; motion carried unanimously.**

**Approval of FY21 BAR No. 19 - P565 - HOPs (Security Guards)**

Joseph De La Rosa, Employee Relations and Public Service, NMDOT, presented and requested approval of FY21 BAR No. 19 - P565 - HOPs (Security Guards). The BAR is required

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to increase the budget authority in Contractual Services (Category 300) by \$900,000.00 for the Highway Operations program. The funds will be used to pay for security guard services at Las Cruces, La Bajada, Rio Grande Gorge Bridge, and Lordsburg rest areas/visitor centers. The security guards will be present 24 hours a day, 7 days a week through June 30, 2021. The BAR will be funded by State Road Fund Balance.

Since the pandemic began NMDOT has seen an increase in theft and vandalism at rest areas. Las Cruces and Lordsburg have a significant amount of overnight truck activity along the I-10 corridor. La Bajada has overnight camping and homeless activity. The Rio Grande Gorge Bridge, due to its remote location, has experienced a high rate of vandalism and problems with suicides. Security guards are not trained in suicide prevention but their presence has discouraged suicides. There are two documented incidents in which security guards were able to keep the individuals engaged until local law enforcement assistance arrived.

Chairman Adams asked if the security services may be extended beyond June 30, 2021. Mr. De La Rosa stated that he will update the STC on July 1, 2021, regarding whether NMDOT intends to continue these services.

The Honorable Candyce O'Donnell, Taos County Commission Chair, requested a portable building or a permanent location at the Rio Grande Gorge Bridge for the security guards. Secretary Sandoval responded the area is leased from BLM, and NMDOT has approached BLM regarding remodeling the facility.

**Chairman Adams asked for a motion to approve FY21 BAR No. 19 - P565 - HOPs (Security Guards); Commissioner Sandoval made a motion to so approve; Commissioner Ellis seconded; motion carried unanimously.**

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### **FY20 External Audit - REDW LLC**

Mallery Manzanares, Budget Director and Acting ASD Director, NMDOT, reported that each year NMDOT must undergo an independent financial audit by an external auditor. The FY20 audit was completed in October and approved by Office of the State Auditor (OSA) in December. This is the second year that REDW LLC has performed the external audit for NMDOT.

Stephen Montoya, CPA, REDW LLC, reported that the scope of the audit included a financial statement audit and a federal compliance audit. Unmodified opinions were issued on both. There were no material weaknesses or significant deficiencies to report and no findings.

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

Mark Lovato, Investment Manager, NMFA, provided an update regarding NMDOT's investment portfolio funds under NMFA management and NMDOT/NMFA's outstanding bond debt service as of December 31, 2020. As of that date, NMFA was holding approximately \$108.4 million for debt service. On December 15, 2020, NMDOT made a debt service payment in the amount of \$29.3 million and paid off the 2010 A1 and A2 Series Bonds with funds in the amount of \$33.7 million being held in escrow for that purpose. NMFA is currently holding \$60 million for debt service. Presently, there is approximately \$6.7 million in the project account and approximately \$230,600 in the arbitrage rebate account. The balance in NMDOT's taxable line of credit at Wells Fargo for the BNSF requirement is \$50 million. No commitment fee was paid in December. NMDOT's current outstanding debt is \$864.87 million. A debt service payment of approximately \$122.8 million (\$101.27 million in principal plus \$21.5 million in interest) is due on June 15, 2021.

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## **Policy Reports**

### **Annual Determination of Notice Provisions for Open and Closed State Transportation**

#### **Commission Meetings**

Ken Baca, General Counsel, NMDOT, presented and requested approval of the annual determination of notice provisions for open and closed State Transportation Commission Meetings pursuant to NMSA 1978, Section 10-15-1 (D) of the Open Meetings Act. Commission Policy 1, *New Mexico State Transportation Commission Organization and Meetings* (CP 1), sets forth the notice requirements for both open and closed meetings of the STC. The STC is required to take action at this time to determine the specific notice provisions for its open and closed public meetings.

Commissioner Ellis commented that the STC should consider using social media to notice meetings that fit the 3-day and 10-day requirement. Mr. Baca agreed and stated he will follow up on the request.

**Chairman Adams asked for a motion to approve the Annual Determination of Notice Provisions for Open and Closed State Transportation Commission meetings pursuant to NMSA 1978, Section 10-15-1(D) of the Open Meetings Act; Commissioner Ellis made a motion to so approve; Commissioner Chynoweth seconded; motion carried unanimously.**

### **Proposed Reinstatement of and Amendments to State Transportation Commission Policy**

#### **No. 83, Priority Determination for Highway Improvements (CP 83)**

Tamara Haas, Capital Programs and Investments Division Director, briefed the STC on the proposed reinstatement of and amendments to CP 83. She explained the proposed amendments

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change NMDOT's existing project prioritization policy to a performance-driven, outcome-based system. This modification will prioritize projects in a manner consistent with FHWA policy.

### **Public Comment**

#### **Autonomous Vehicle Plan – New Mexico & Gallup**

Michael Sage, Deputy Director, Greater Gallup Economic Development Corporation, commented regarding a new economic development initiative for Gallup and McKinley County focused on autonomous vehicles and mobility. Adam Wasserman and Lois Yates, GLD Global Logistics Development Partners, also presented on the Gallup proposition involving a statewide mobility strategy. Three hubs are proposed: one in the Gallup Region, one in the Albuquerque Region, and one in the Las Cruces Region.

Mr. Wasserman commented that there would need to be terminus facilities for automated car and truck testing and strategic locations along the interstates where vehicles could upload data. This is currently being done in eight states without a safety driver. The proposition includes a truck mobility complex be constructed in Gallup. The complex will be used for charging, off-loading cargo and an inland port. Gallup would be the charter truck mobility complex for urban testing.

Chairman Adams stated the STC needs to consider being proactive, as well as a timeline, liability, a safety study and funding. He also asked if there are any policies in place for autonomous vehicles. Ken, Baca, General Counsel, NMDOT, responded that he does not think there are any policies in place.

The Honorable Patricia Lundstrom, New Mexico State Representative, District 9, stated that New Mexico Legislative Council Service research indicates there is not a specific set of

January 22, 2021

policies. NMDOT would be the lead, but the initiative would also involve other New Mexico state agencies.

### **FHWA Report**

Rodolfo Monge-Oviedo, Deputy Division Administrator, FHWA, introduced Melinda Roberson, the new acting FHWA New Mexico Division Administrator. John Don Martinez, former Division Administrator, retired in December 2020.

Chairman Adams asked for an update on District Two from the acting the District Engineer. Rick Padilla, Executive Director of Highway Operations and acting District Two Engineer, reported that the advertisement for District Engineer is scheduled to close on January 22, 2021. Hopefully, the position will be filled before the end of the 2021 New Mexico Legislative Session.

Justin Reese, Deputy Secretary of Business Support, NMDOT provided an update on the Taos and US 550 projects.

The Honorable Anthony Allison, New Mexico State Representative, District 4, commented that during the 2020 Legislative Session, he introduced a House Memorial requesting the renaming of US 491 between Gallup and Shiprock as the Senator John Pinto Memorial Highway. The highway was previously named for Chief Manuelito. Representative Allison would like the STC's help to rename the highway segment.

### **Adjournment**

**Chairman Adams asked for a motion to adjourn the regular meeting at 12:55 p.m.; Commissioner Taylor made a motion to adjourn the regular meeting; Commissioner Lundstrom seconded. Motion carried unanimously.**

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**Chairman**

**Walter G. Adams**

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**Secretary**

**Charles Lundstrom**

January 22, 2021



# Tab 4

## **Introductions**

# **Agenda Items 4**

## **4. Introductions: Walter G. Adams, Chairman**

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

# Tab 5

## Welcoming Remarks

# **Agenda Items 5**

Welcoming Remarks: Walter G. Adams, Chairman

# Tab 6

## Public Comments

# Tab 7

## **Best Paving Awards**

# Commission Brief

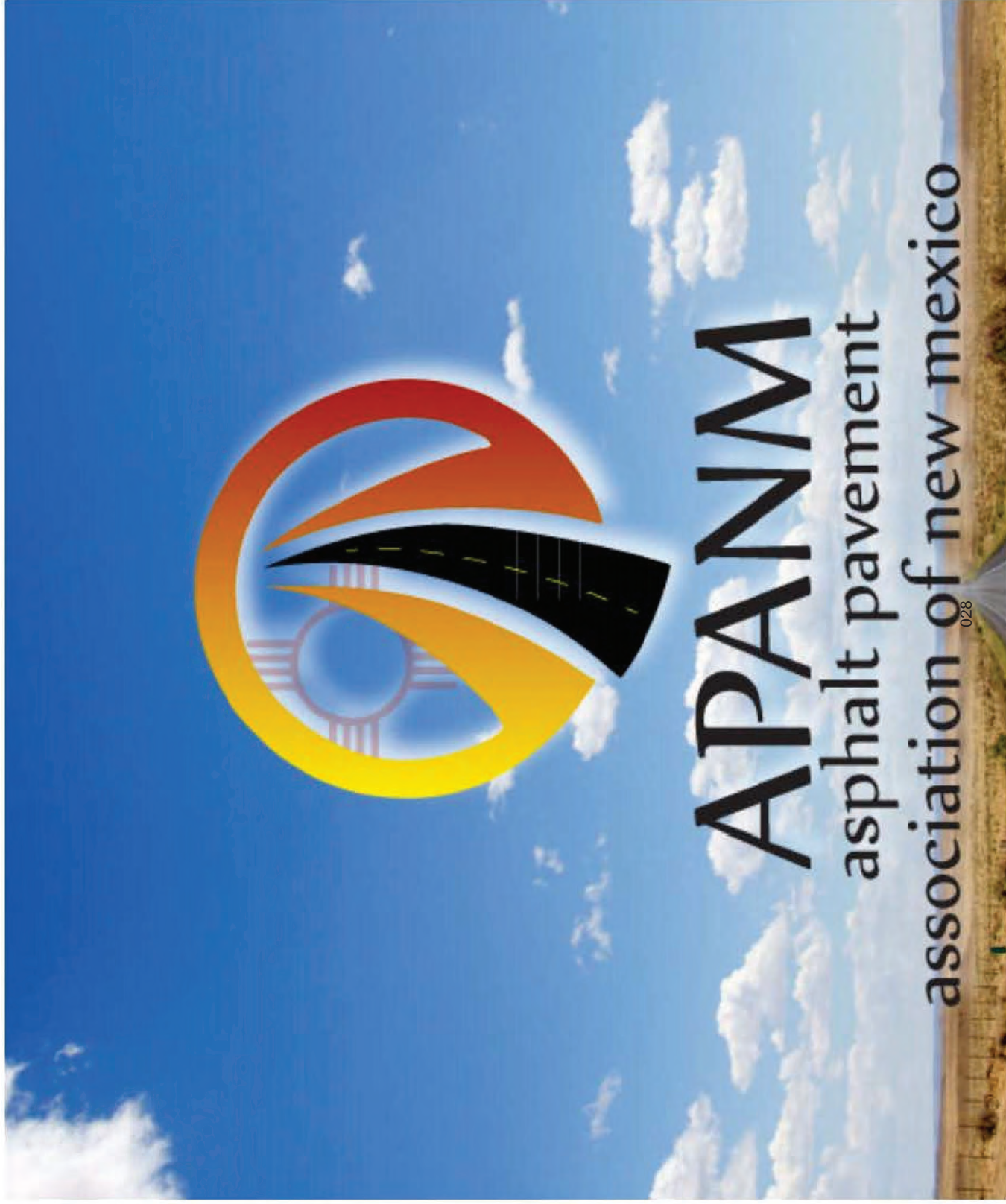
**SUBJECT: 2020 BEST of New Mexico Awards**

**PRESENTER: Brian Jones, Executive Director, APANM**

**BACKGROUND:**

**ACTION: No Action**

# 2020 BEST of NEW MEXICO AWARDS

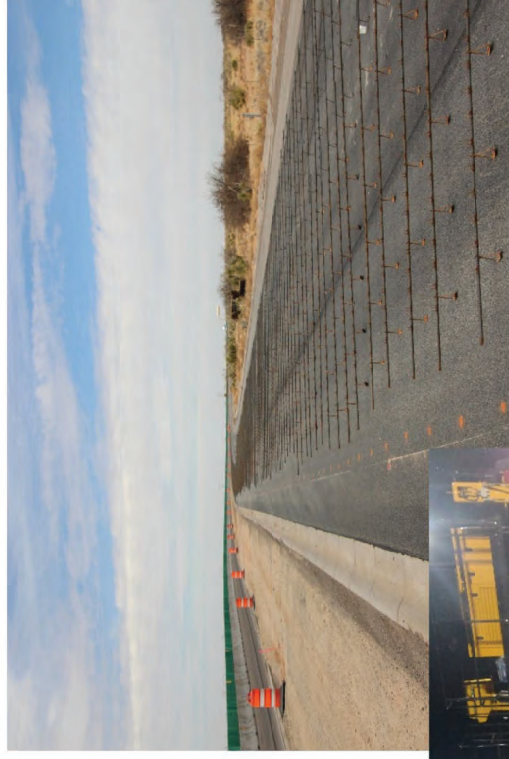




# 2020 BEST OF NEW MEXICO

## SPECIAL USE

First Time - NM 136 located outside of Sunland Park, NM, near the Texas Stateline  
The existing asphalt 1.5 to 3"+ will serve as the base and be overlaid with Continuous Reinforced Concrete



**FNF**  
**\$47.632 Million**



**NMDOT District 1**  
**Aaron Chavarria**



# 2020 BEST OF NEW MEXICO

## CITY STREET

New or Reconstruction NM 188 located  
on Valley Drive in Las Cruces, NM



**ALBUQUERQUE UNDERGROUND, INC**  
**\$22.973 Million**



**APANM**

asphalt pavement  
association of new mexico

**NMDOT District 1**  
**Aaron Chavarria**



# 2020 BEST OF NEW MEXICO

## PREVENTIVE MAINTENANCE

### Surface Seal Treatment - NM 169



**NMDOT Chip Seal Crew**  
**\$674,427**



**APANM**  
asphalt pavement  
association of new mexico

**NMDOT District 1**  
**Paul Garcia/David Munoz**



# 2020 BEST OF NEW MEXICO

## RURAL HIGHWAY

### New or Reconstruction



**BRASIER ASPHALT**  
**\$529,500**



**NMDOT District 2**  
**Eddie Sedillo/Louis Najjar**



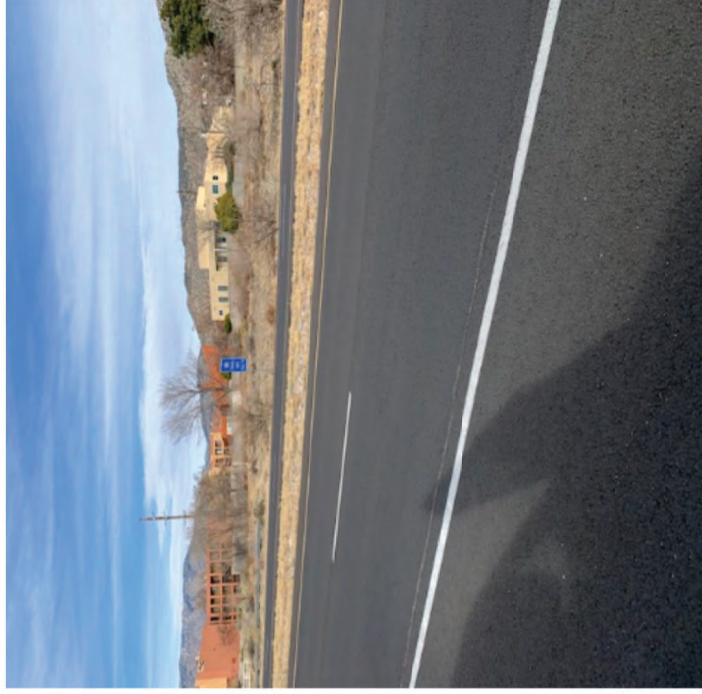
**APANM**

asphalt pavement  
association of new mexico



# 2020 BEST OF NEW MEXICO PREVENTIVE MAINTENANCE

Surface Seal Treatment (Nova Chip)  
NM 556 Tramway



**BRASIER ASPHALT**  
**\$1.6 Million**



**NMDOT District 3**  
**Berry Little**



# 2020 BEST OF NEW MEXICO

## RURAL HIGHWAY

### New or Reconstruction



**ALBUQUERQUE ASPHALT, INC**  
**\$3.99 Million**



**APANM**

asphalt pavement  
association of new mexico

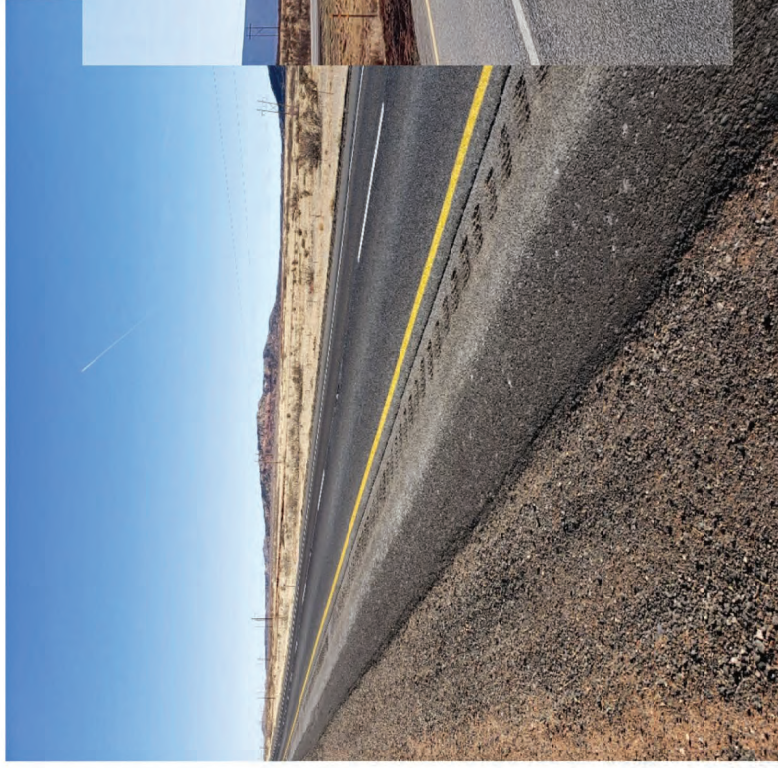
**NMDOT District 3**  
**Jeremy Maestas**



# 2020 BEST OF NEW MEXICO

## RURAL HIGHWAY

Resurfacing - I-40 MP 313.1 - MP 317.1  
Quay County



**FISHER SAND & GRAVEL**  
**\$6.960 Million**



**APANM**  
asphalt pavement  
association of new mexico

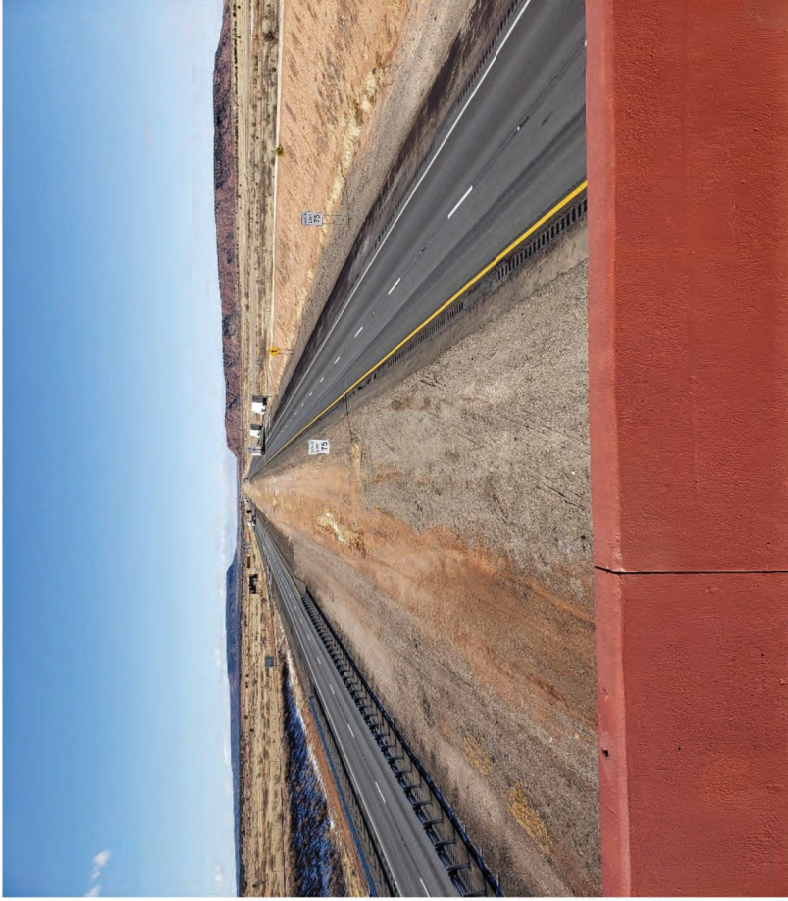
**NMDOT District 4**  
**Chris Urioste**



# 2020 BEST OF NEW MEXICO

## RURAL HIGHWAY

Resurfacing I-40 MP 299.6-MP 308.3  
Guadalupe County



**MOUNTAIN STATES CONSTRUCTORS, INC**  
**\$9.860 Million**



**APANM**  
asphalt pavement  
association of new mexico

**NMDOT District 4**  
**Chris Urioste**



# 2020 BEST OF NEW MEXICO

## PROJECT INNOVATION

I-25 NB/SB La Bajada To Cerrillos  
Santa Fe, NM



ALBUQUERQUE ASPHALT, INC  
\$17.2 Million



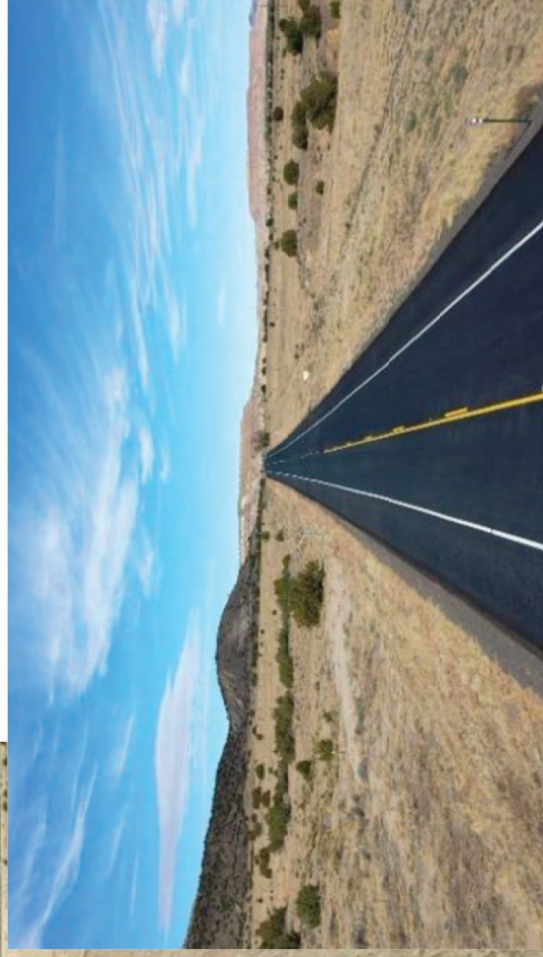
NMDOT District 5  
Jared Rodriguez



# 2020 BEST OF NEW MEXICO

## RURAL HIGHWAY NEW

### Full Depth Reclamation NM 279



**MOUNTAIN STATES CONSTRUCTORS, INC**  
**\$7.5 Million**



**APANM**  
asphalt pavement  
association of new mexico

**NMDOT District 6**  
**James Martinez**



# 2020 BEST OF NEW MEXICO

## RECONSTRUCTION

Southern Blvd NM 528 to Golf Course Rd



**ALBUQUERQUE ASPHALT, INC**  
**\$13.6 Million**



**APANM**

asphalt pavement  
association of new mexico

**City of Rio Rancho**  
**Arnell Friedt**

# Tab 8

## **Secretary Report**

# Commission Brief

**SUBJECT:**

Secretary Report

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

**BACKGROUND:****ACTION:**

No Action

# Tab 9

## **FHWA Report**

# Commission Brief

**SUBJECT:**

**FHWA Report**

**PRESENTER: Melinda Roberson, FHWA**

**BACKGROUND:**

**ACTION: No Action**

# Tab 10

## **District Four Update**



Transportation Commission Meeting  
March 25, 2021  
District Four Update



New Mexico Department of Transportation District Four  
Presenter: James M. Gallegos, P.E.  
District Four Engineer

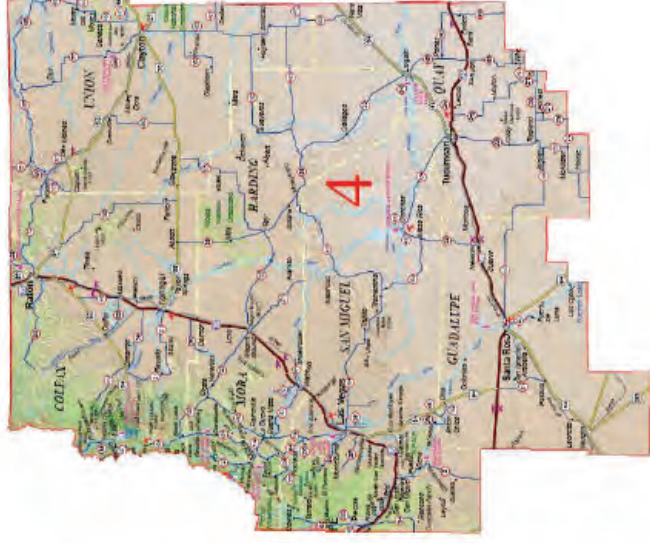




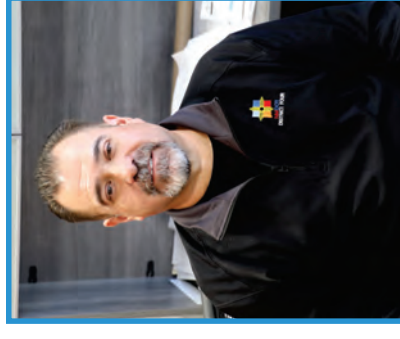
# District Four

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- 4 Ports of Entry
- 6 Rest Areas
- 7 Counties (Colfax, Guadalupe, Harding, Mora, Quay, Union & San Miguel)
- 20 Municipalities
- 4 Legislative Districts
- 16 Maintenance Patrols
- 5 Project Offices
- 4 Traveling/ Special Crews
- Maintains over 3,100 Centerline Miles, 595 Interstate, 480 US Highway
- District Headquarters - Las Vegas

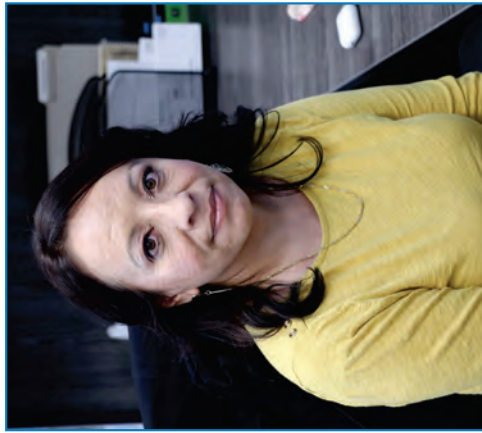


**WALTER ADAMS**  
**DISTRICT FOUR COMMISSIONER**  
**CHAIRMAN**

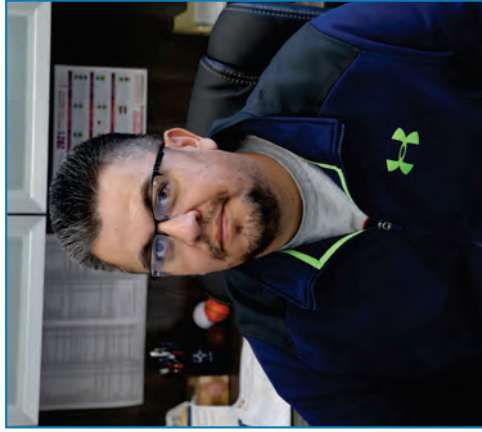


**JAMES M. GALLEGOS, P.E.**  
**DISTRICT FOUR ENGINEER**

# District Four Executive Staff



Virginia Sotelo  
BUSINESS MANAGER



Adam Romero, P.E.  
ADE MAINTENANCE



Chris Urioste, P.E.  
ADE CONSTRUCTION



Gabriel Lucero, P.E.  
TECHNICAL SUPPORT ENGINEER



# District Four Employee Breakdown



— . . . .



# District Four Budget FY21



**\$18,223,700.00**  
**PAYROLL & BENEFITS**

**\$4,817,600.00**  
**CONTRACT MAINTENANCE**

**\$1,555,400.00**  
**REST AREA MAINTENANCE**

**\$4,383,200.00**  
**OPERATING BUDGET**

**\$5,622,500.00**  
**FIELD SUPPLIES**

**\$312,600.00**  
**REST AREA IMPROVEMENTS**

**\$312,600.00**  
**IT COMMUNICATIONS**

**\$1,557,300.00**  
**STRIPING**

**\$36,784,900.00**  
**TOTAL DISTRICT FOUR BUDGET**



# Completed Construction Projects 2020

## US 85 (SOUTH GRAND AVE. LAS VEGAS)

US 85 - MP 0.00 to MP 1.73 (San Miguel County)

Roadway Reconstruction/ Urban Project

Cost - \$12.3 Million

Contractor - El Terrero Construction



## I-25 MAXWELL

I-25 - MP 420.06 to MP 426.66 (Colfax County)

Mill/ Overlay, Guardrail, New Signage

Cost - \$6.3 Million

Contractor - Northern Mountain Constructors



# Completed Construction Projects 2020

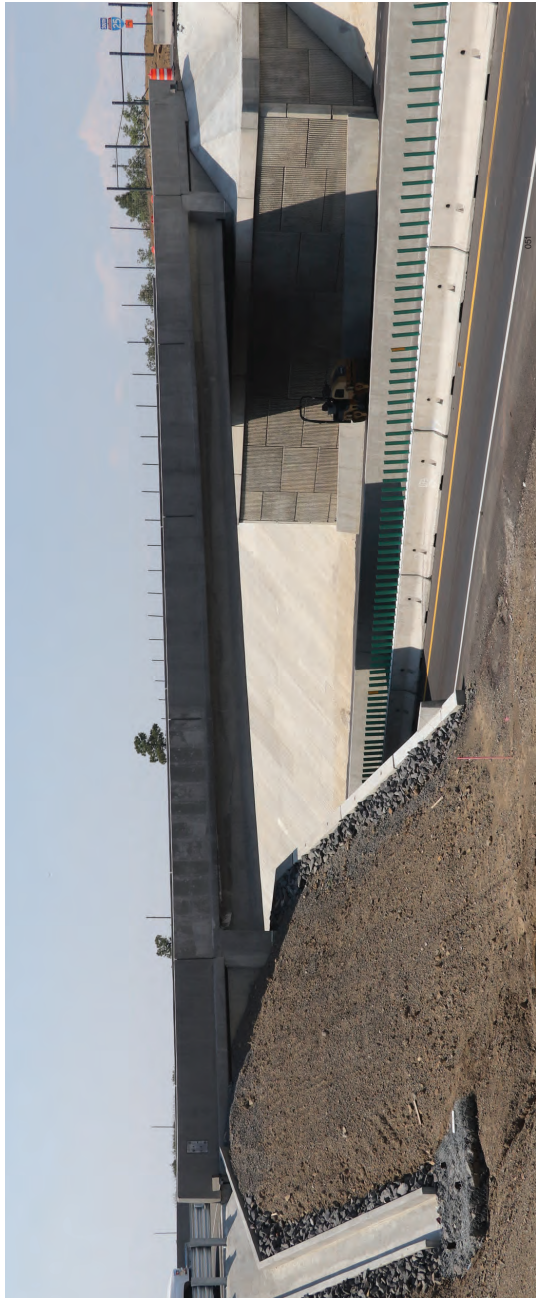
## I-40 EAST OF NEWKIRK

I-40 - MP 299.6 to MP 308.30 (Guadalupe County)

Pavement Rehabilitation, Guardrail, Signing

Cost - \$9.9 Million

Contractor – Mountain States Construction



## RATON PASS - PHASE I

I-25 - MP 458.9 to MP 460.8 (Colfax County)

New Interchange, Roadway Reconst., Lighting

Cost - \$15.2 Million

Contractor – Northern Mountain Contractors



# Ongoing Construction Projects



## LOGAN BRIDGE

US 54 - MP 324.9 to MP 326.3 (Quay County)

Bridge/Roadway New Construction

Estimated Cost - \$20.7 Million

Estimated Completion - Spring 2021

Contractor - Fisher Sand & Gravel



## TUCUMCARI INTERCHANGE (PHASE I)

US 54 - MP 324.9 to MP 303.2 (Quay County)

Roadway Reconst., Lighting, Utility Construction

Estimated Cost - \$10.5 Million

Estimated Completion - Summer 2021

Contractor - AUI, Inc.



# Ongoing Construction Projects



## SAN JOSE BRIDGE - PECOS RIVER

FR 2116 - MP 14.4 to MP 14.6 (San Miguel County)

Bridge Replacement, Roadway Reconst.

Estimated Cost - \$3.5 Million

Estimated Completion - Summer 2022

Contractor - El Terrero Construction



## RATON PASS (PHASE II)

I-25 - MP 454.2 to MP 460.8 (Colfax County)

Roadway/Bridge Rehabilitation, Lighting, ITS

Estimated Cost - \$21.4 Million

Estimated Completion - Summer 2022

Contractor - Northern Mountain Const.

# Upcoming Construction Projects



Project Type	FY 2021 STIP	Cost
Bridge Replacement	NM 518, MP 23.2 to MP 24.3 Bridge No. 6288 in La Cueva	\$3,166,284.00
Bridge Rehabilitation	I-25 Bridges (4) Las Vegas and NM 3 Interchange	\$1,410,542.00
Bridge Rehabilitation	US 64, MP 318.6 to MP 319, 8 miles East of Cimarron	\$1,124,202.00
Bridge Rehabilitation	NM 94 and NM 97 Bridges, Valmora and Sapello	\$719,633.00
Roadway Widening/Reconstruction	NM 434, MP 19.66 to MP 21.10, In Coyote Creek Phase 2	\$14,150,000.00
	<b>FY 2022 STIP</b>	
Roadway Rehabilitation	NM 39, MP 14.6 to MP 30, North of Logan	\$21,000,000.00
Bridge Rehabilitation	I-40 Bridges, Anton Chico Rest Area and 8.4 miles West of Tucumcari	\$720,000.00
Roadway Rehabilitation	I-25, MP 356 to MP 364, Onava	\$9,500,000.00
Roadway Widening/Reconstruction	NM 434, MP 21.10 to MP 23.30, Coyote Creek Phase 4	\$8,000,000.00
	<b>FY 2023 STIP</b>	
Pavement Rehabilitation	US 64, MP 322.50 to MP 330.00, Colfax, NM	\$10,600,000.00
Roadway Rehabilitation	I-25, MP 455.3 to MP 459.3, Raton Pass Phase 3	\$15,000,000.00
Roadway Rehabilitation	I-25, MP 299.55 to MP 309, Rowe, NM	\$10,000,000.00
Roadway Rehabilitation	I-40, MP 322 to MP 327, Palomas	\$7,000,000.00
Bridge Replacement	NM 63, MP 21.6 to MP 22.7, Pecos Canyon	\$3,500,000.00
Roadway Rehabilitation	NM 434, MP 25 to MP 31, Black Lake	\$6,000,000.00
Roadway Widening/Reconstruction	NM 434, MP 23.3 to MP 25.8, Coyote Creek Phase 3	\$10,000,000.00

# Laws of 2019 Chapter 271 Section 9 Item 2 (HB2)

## Total \$ 100 Million

## District Four Allocation \$ 16.6 Million



ROUTE	MILE MARKER	LANDMARK	PROCESS	COST	STATUS
I-25	309 - 319	North of Rowe	Plant Mix Overlay	\$2,690,971.77	Complete
U.S. 64/87	406 - 418	Mount Dora	Pavement Resurfacing	\$3,845,023.24	Complete
I-40	362.9 - 373.4	East of San Jon	Crack Seal	\$548,187.04	Complete
US 54	326 - 355.3	Logan to Texas Border	Crack Seal	\$683,840.20	Complete
NM 209	35.5 - 45	Ragland to Grady	Crack Seal	\$131,641.58	Complete
NM 518	30.5 - 44.3	Mora to Holman Hill	Micro-Surfacing	\$1,145,135.12	Complete
NM 329	0 - 1.9	Las Vegas	Micro-Surfacing	\$288,384.47	Complete
NM 65	0 - 5.1	Las Vegas	Micro-Surfacing	\$737,335.53	Complete
US 84/ Grand Ave.	1.8 - 3	Las Vegas	Micro-Surfacing	\$237,131.53	Complete
US 56	20 - 35 & 44 - 60.3	East of Abbot	Hot in Place Recycling	\$2,046,020.51	Complete
District Wide	District Wide	District Wide	Crushing Millings	\$504,030.72	Complete
I-40	291 - 299.6 Driving	Cuervo to Newkirk	Mill and Inlay	\$1,808,649.23	Complete
I-25/ US 64/87	451	Interchange (Raton)	Interchange Study	\$1,245,104.24	Summer 2021
I-25	339 - 344.5	S. Romeroville to Las Vegas	Plant Mix Overlay	\$499,976.76	Summer 2021
US 54	225 - 231	Pastura to Santa Rosa	Crack Seal	\$255,226.42	Summer 2021
			TOTAL	\$16,666,658.40	



# Laws of 2020 Chapter 83 Section 9 Item 1 (HB2)

## Total \$ 135 Million

## District Four Allocation \$ 20 Million



ROUTE	MILE MARKER	LANDMARK	PROCESS	COST	STATUS
I-25	319 - 330.6	South of Bernal	Plant Mix Overlay	\$3,333,641.78	Spring 2021
U.S. 64/87	418 - 429.3	West of Clayton	Pavement Resurfacing	\$1,863,315.28	Spring 2021
US 56	0.3 - 20.0	East of Springer	Hot In Place Recycle	\$1,200,140.72	Spring 2021
I-40	269.9 - 276.0	West of Santa Rosa	Overlay	\$1,402,902.22	Complete
US 54	302.69 - 306.16	Tucumcari (Phase II/ III)	Urban Rehab/ Recon	\$3,700,000.00	Spring 2022
I-25	364 - 370	Watrous North	Mill and Overlay	\$8,477,601.52	Spring 2021
			TOTAL	\$19,977,601.52	



# Completed Contract Maintenance Projects 2020/2021



ROUTE	MILE MARKER	LANDMARK	PROCESS	COST	STATUS
I-25	426.6 - 437.6	North of Maxwell	Plant Mix Overlay	\$3,027,538.19	Complete
U.S. 64/87	349.3 - 354	East of Raton	Pavement Resurfacing	\$2,907,332.67	Complete
I-40 (Driving Lanes)	255.3 - 262.8	West of Santa Rosa	Mill and Inlay	\$1,943,812.59	Complete
NM 518	28.5 - 30.5	Mora	Plant Mix Overlay	\$442,376.80	Complete
I-25	338 - 348.5	Las Vegas	Plant Mix Overlay	\$3,591,578.93	Summer 2021
			TOTAL	\$11,912,639.20	





# Proposed Projects - Laws of 2021 (HB2)



ROUTE	MILE MARKER	LANDMARK	PROCESS	COST	STATUS
NM 120	64 - 74.8	West of Roy	Hot in Place Recycling	\$950,000.00	Fall 21/ Spring 22
I-25	348.5 - 356	North of Las Vegas	Plant Mix Overlay	\$2,200,000.00	Fall 21/ Spring 22
NM 39	49 - 67.8	Mosquero to Roy	Hot in Place Recycling	\$1,650,000.00	Fall 21/ Spring 22
I-40 (Driving Lanes)	242.8 - 248.3	West of Santa Rosa	Mill and Inlay	\$1,200,000.00	Fall 21/ Spring 22
I-40 (Driving Lanes)	284.7 - 291	West of Cuervo	Mill and Inlay	\$1,350,000.00	Fall 21/ Spring 22
I-25	448 - 452	Raton	Plant Mix Overlay	\$1,750,000.00	Fall 21/ Spring 22
US 64/87	276 - 295	Eagle Nest	Micro-Surfacing	\$2,540,000.00	Fall 21/ Spring 22
			TOTAL	\$11,640,000.00	



# Major Unfunded Projects



LOCATION	COST	DESCRIPTION
I-25 (Raton Pass Phase 3) MP 455 - 459	\$17 Million	Major Rehabilitation of I-25 between MP 455.3 to MP 459.3. Work to include roadway rehabilitation, safety improvements (guardrail, signage and striping, rock fall mitigation (soil nail wall)). Project is the third and final phase of the Raton Pass group of projects. Corridor is heavily utilized by freight and tourists. The area experiences heavy freeze thaw cycles increasing rock fall concerns as well as pavement life.
I-25/US64/87 Interchange (Raton) MP 349 - 349.5	\$20 Million	Reconstruction of the I25/US64/87 interchange at exit 451 in Raton. I-25/US64/87 Interchange is a major interchange on the Ports-to-Plains Alliance Corridor in New Mexico. It is currently heavily utilized by tourists, commercial vehicles and local residents. The Reconstruction of this interchange will elevate the major safety concern of traffic backup on the Interstate as a result of congestion at this interchange. In addition, the reconstruction of the interchange would also help to improve geometric deficiencies and other safety concerns. Project development has not yet started for this project.
U.S. 64 (Angel Fire) MP 271.2 - 287	\$35 Million	Reconstruction and widening of US 64 from the Taos /Colfax County Line thru Eagle Nest is utilized by tourist and local residents to access the areas communities, forests and tourist destinations. Portions of the roadway are narrow and mountainous with steep drop-offs. The reconstruction and widening of this corridor would enhance safety, enhance economic development, improve mobility, and increase tourism for the Mora, Angel Fire, Eagle Nest and Taos areas. Working to get a consultant under contract, so work can begin on the project.
Grand Avenue (Las Vegas) MP 2.37 - 3.06	\$15 Million	Roadway Reconstruction, Drainage Improvements, ADA Improvements, Signal and lighting etc. L00015 is one of the main roadways on the east side of Las Vegas and is in need of major rehabilitation or reconstruction. The reconstruction/rehabilitation of this corridor would enhance safety, enhance economic development, improve mobility, and increase tourism for the eastern portion of the state. Development has not yet started on this portion of the corridor.
Maxwell Avenue (Springer) MP 0.7 - 1.1	\$15 Million	Roadway Reconstruction, Drainage Improvements, ADA Improvements, lighting etc. on the I-25 Business Loop Through Springer. L00016 is one of the main roadways through Springer and is in need of major rehabilitation or reconstruction. The reconstruction/rehabilitation of this corridor would enhance safety, enhance economic development, improve mobility, and increase tourism for the eastern portion of the state. Development has not yet started on this portion of the corridor.
U.S. 54 (Tucumcari) MP 306.1 - 356.2	\$80 Million	Reconstruction or Major Rehabilitation of 50 Miles of US 54 from Tucumcari to the New Mexico/Texas Stateline (approx. 50.1 miles). US 54 is heavily utilized to transport freight and provide mobility for the traveling public in the eastern part of the state. The reconstruction/rehabilitation of this corridor would enhance safety, enhance economic development, improve mobility, and increase tourism for the eastern portion of the state. Development has not yet started on this portion of the corridor.

# District Four Snow Removal - 2019/ 2020

EQUIPMENT COST - \$1,918,646.00

MATERIAL COST - \$1,936,569.00

LABOR COST - \$554,409.00

TOTAL OPERATIONAL COST - \$4.4 MILLION



54,000 LANE MILES



# LGRF FY20 SPECIAL APPROPRIATIONS



ENTITY	TERMINI	STATE AMOUNT 95%	ENTITY AMOUNT 5%	TOTAL AMOUNT	DESIGN %	CONST. %
City of Las Vegas	National Avenue and Bridge Street Mill & Overlay, Signage, ADA Compliant Sidewalks	\$1,536,683.00	\$80,878.10	\$1,617,561.20	90%	FEB 2021
City of Santa Rosa	Riverside Drive Project Reconstruction of Roadway and drainage Improvements	\$788,887.60	\$41,520.40	\$830,408.00	100%	97%
City of Tucumcari	2nd Street Total Reconstruction of 2nd Street	\$475,000.00	\$25,000.00	\$500,000.00	100%	95%
Colfax County	Gardner Bridge New Bridge	\$503,500.00	\$26,500.00	\$530,000.00	100%	20%
Quay County	Historic Route 66 Bridge #1625 New Bridge	\$3,081,465.00	\$162,182.37	\$3,243,647.37	100%	APRIL 2021
San Miguel County	Gonzales Ranch Road Improvement Project Chip Seal	\$565,625.00	\$29,769.74	\$595,394.74	100%	100%
Village of Angel Fire	Phase III of Camino Grande Improvements Total Reconstruction of Camino Grande	\$893,000.00	\$47,000.00	\$940,000.00	100%	MAY 2021
Village of Eagle Nest	Fisherman's Lane Improvements Total Reconstruction of Fisherman Lane	\$1,140,000.00	\$60,000.00	\$1,200,000.00	100%	95%
Village of San Jon	Safety Improvement Project Lighting	\$118,750.00	\$6,250.00	\$125,000.00	100%	100%
9 Entities	TOTALS	\$9,102,910.70	\$479,100.61	\$9,582,011.31		

# Chip/ Fog Sealing Operations - 2020



LOCATION	MILEPOST	COUNTY
NM 72	1 - 34.4	Colfax
NM 526	0 - 6.2	Colfax
US 56	12 - 60	Union
NM 451	0 - 3	Guadalupe
NM 484	0 - 1.1	San Miguel
NM 120	7 - 12	Mora
NM 562	46 - 59	Union
NM 518	30.4 - 44.3	Mora
FR 2181	0 - 2	Colfax
I-25	338 - 339.7	San Miguel

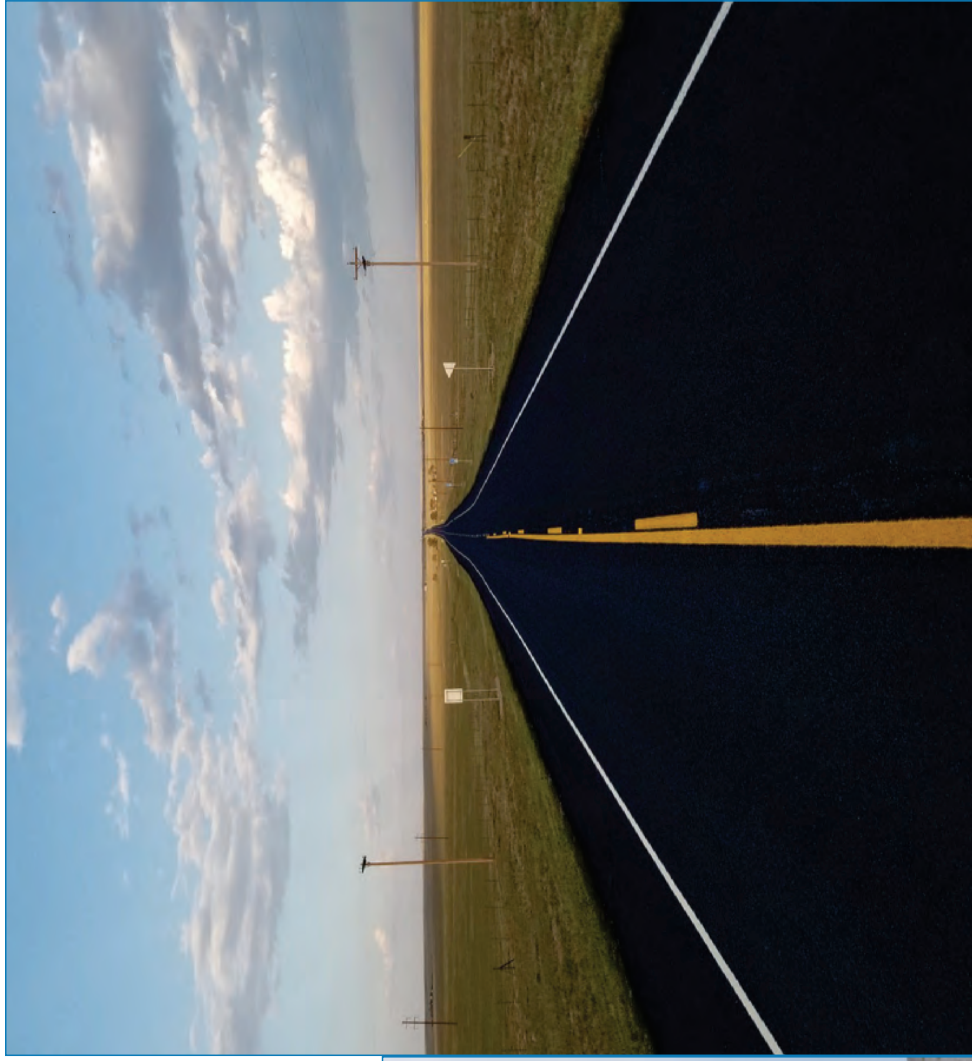
**Total Lane Miles - Chip Seal - 193**

**Total Lane Miles - Fog Seal - 255**



# Chip/ Fog Seal

## 2020



## US 56 MP 12 - MP 60 (SPRINGER TO CLAYTON)

- 96 Total Lane Miles
- Union County
- Proposed Project for Quality Chip Seal Award 2020



# 2019 Quality Chip Seal Awards



## Congratulations District Four Chip Seal Crew - 1st Place



Joseph Gonzales, Joseph Garcia, Lee Gonzales, Marcos Martinez, Mario Archuleta, Matthew Martinez, Miguel Juregui, Victor Gonzales, Samson Baca  
Brain Gonzales, Cody Alcon, Jacob Ramirez, John Salazar, Michael Trujillo, Michael Ortiz, Steve Martinez, Steven Roybal, Nathan Vigil

# NM 456 Bridge - Emergency Project



BRIDGE WASHOUT - AUGUST 29, 2020

- > NM 456 - MP 42.3 (Union County)
- > Dry Cimarron River
- > Estimated Cost \$1,000,000.00
- > Estimated Completion - June 2021



DETOUR

- > Removal of Existing Bridge Structure - Complete
- > Build Temporary Detour - Complete
- > Design/ Placement of Temporary Bridge - Ongoing
- > Fund & Build New Bridge Structure - Future STIP Project



TEMPORARY DETOUR

# District Four BAR 7- FY19 Money for Equipment



North Patrols	Qty	Total
50 ton Trailer Towmaster T-80HT	1	\$78,777.50
5th Wheel Tractor Transport Truck	1	\$139,200.00
Arrow Board	2	\$9,480.00
Backhoe With Point Breaker	2	\$226,368.14
Skid Steer Loader w/ Attachments	3	\$203,415.57
Variable Message Board Trailer	4	\$56,720.00
Steel Wheel Drum Roller 4-6 Ton	3	\$164,860.53
Interstate Trailer for Steel Wheel	5	\$66,235.00
Towable Air Compressor	2	\$48,108.00
UTV Side by Side	2	\$25,368.52
Total		\$1,012,533.26

Special Crews	Qty	Total
Backhoe With Point Breaker	1	\$113,184.07
Self Propelled Sweeper	1	\$286,128.36
Pneumatic Roller	2	\$268,214.32
Septic Pump Truck	1	\$128,006.00
Steel Wheel Drum Roller 4-6 Ton	1	\$54,953.51
Interstate Trailer for Steel Wheel	1	\$13,247.00
Water Wagon Trailer	1	\$12,000.00
25' + 5' Gooseneck Trailer	1	\$9,999.00
Cab & Chassis for Lube Truck	1	\$107,934.00
Refurbish Lube Body	1	\$40,321.00
Total		\$1,033,987.26

Central Patrols	Qty	Total
Skid Steer Loader w/ Attachments	2	\$131,016.75
Variable Message Board Trailer	5	\$70,900.00
Arrow Board	1	\$4,700.00
Low Boy 50 Ton	1	\$78,142.50
5th Wheel Tractor KW W900L	2	\$278,400.00
Backhoe With Point Breaker	1	\$113,184.07
Bottom Dump Trailer	2	\$76,250.00
Steel Wheel Drum Roller 4-6 Ton	3	\$164,860.53
Interstate Trailer for Steel Wheel	5	\$66,235.00
UTV Side by Side	3	\$38,052.78
Total		\$1,021,741.63

Business Support	Qty	Total
UTV Side by Side	3	\$38,052.78
Welding Truck	1	\$147,884.00
TOTAL		\$185,936.78



South Patrols	Qty	Total
Skid Steer Loader w/ Attachments	1	\$70,416.19
Arrow Board	1	\$4,700.00
Low Boy 50 Ton	1	\$78,142.50
5th Wheel Tractor KW W900L	2	\$278,400.00
Bottom Dump Trailer	2	\$76,250.00
Steel Wheel Drum Roller 4-6 Ton	3	\$164,860.53
Interstate Trailer for Steel Wheel	4	\$52,988.00
UTV Side by Side	2	\$25,368.52
Water Truck		\$195,876.24
Total		\$947,001.98

78 Pieces of Equipment  
\$4,201,200.91





# Self Propelled Sweeper



# Septic Pump Truck



# District Four Equipment Needs



North Patrols	Qty	Total
Cat Motor Grader	1	\$283,387.00
10 yd Dump Truck	1	\$225,000.00
12.5 Ton Steel Wheel Roller	1	\$160,000.00
Remote Controlled Trax Mower	2	\$160,000.00
Sheeps Foot Roller	1	\$140,000.00
Power Broom	2	\$56,720.00
TOTAL		\$164,860.53
Central Patrols	Qty	Total
Cat 140M 6x6 Motor Grader	2	Total
Broce 350 Broom	5	\$629,402.00
Skid Steer w/ Attachments	1	\$340,000.00
Backhoe	2	\$60,000.00
Front End Loader w/ 5yd Bucket	1	\$200,00.00
10 yd Dump Truck	1	\$140,000.00
TOTAL		\$200,000.00
South Patrols	Qty	Total
5th Wheel Tractor	1	\$140,000.00
Belly Dump Trailers	2	\$78,000.00
50 Ton Lowboy Trailer	1	\$79,000.00
Motor Grader	1	\$283,387.00
Tractor	2	\$168,000.00
Mower Deck	2	\$76,000.00
Remote Controlled Trax Mower	1	\$80,000.00
TOTAL		\$904,387.00

Special Crews	Qty	Total
10 yd Dump Truck w/ Trailer	3	\$600,000.00
Skid Steer w/ Attachments	1	\$60,000.00
Service Truck	1	\$80,000.00
Large Skid Steer w/ Attachments	1	\$48,000.00
Excavator	1	\$180,000.00
Sheep Foot Roller/ Compactor	1	\$140,000.00
Pnuematic Roller	2	\$538,000.00
Transport Truck	1	\$140,000.00
Transport Trailer	2	\$86,000.00
12.5 Ton Steel Wheel	1	\$160,000.00
TOTAL		\$2,032,000.00
Business Support	Qty	Total
Propelled Sweeper w/ Conveyor	1	\$287,000.00
Rotating 50 Ton Tow Truck	1	\$1,100,000.00
Roll Back Tow Truck w/ Wheel Lift	1	\$120,000.00
Big Fork Lift	1	\$100,000.00
4-6k lb Fork Lift All Terrain	2	\$80,000.00
12,000lb Fork Lift	1	\$60,000.00
1/2 Ton Pickup 4x4	4	\$140,000.00
1 Ton Pickup 4x4	2	\$120,000.00
Mid Size SUV	3	\$120,000.00
TOTAL		\$2,127,000.00

Equipment Total  
\$7,823,176.00

# District Four Employee of the Year



**RICARDO ARCHULETA**  
**LAS VEGAS MAINTENANCE PATROL**  
**MAINTANER ADVANCED - LEAD WORKER**





# District Four Supervisor of the Year

---



**GABRIELLE VIGIL**  
DISTRICT ADMINISTRATOR



# District Four Crew of the Year



## SANTA ROSA MAINTENANCE PATROL



Damian Chavez, Andrew Sena, Brandon Gutierrez, Dennis Maestas, Felipe Baca, Jose Sanchez, Jose Flores, Leo Muniz, Mark Sena  
Michael Lucero, Robert Romero, Santiago Lucero & Thomas Campos



# District Four Best Project 2020



## COUNTY ROAD C001 TURNOUT > N.M. 518

Concern of traffic entering N.M. 518 from the county road which had a steep decline.

County of Mora did approach the legislature on the issue and asked for funding to address the situation

DistrictFourDesign, DistrictSurvey, HeavyMaintenance, and the La Cueva Maintenance Patrol were all key players in getting this project done. The contribution of 25,000 dollars from the County of Mora, which was received from the legislature, was utilized to obtain the new hot mix asphalt. Overall, the teamwork and cooperation between the state and county, this project produced a new and safe turnout that has all motorists' safety in mind.

Mora County Contribution \$25,000.00  
District Four Contribution \$103,000.00





# District Four Best Patrol - 2020



Jacinto Paiz, Alex Dechamps, Jose Gonzales, Denis Martinez, Bennie Sena, Prajeres Chavez & Albert Cruz



# Covid PPE Distribution

Special Thanks

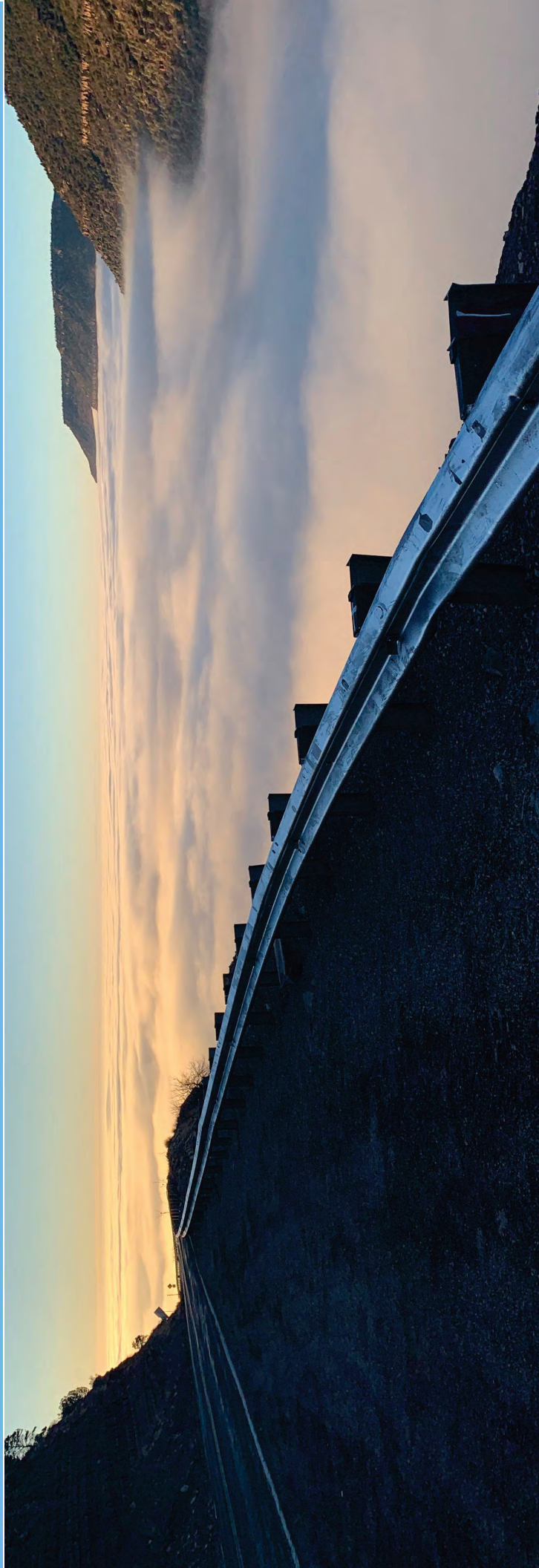
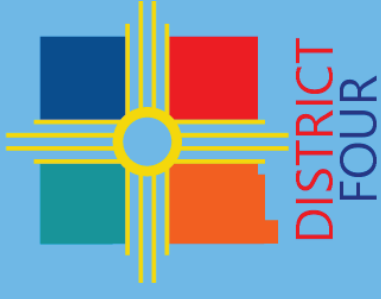
## DISTRICT FOUR SHOP

Abel Gonzales, Andrew Ortega, Anthony Martinez, Art Romero  
David Gonzales, Michael Blades, Jesse Egger, Jose Gonzales  
Manuel Vigil, Larry Saiz, Martin Valdez, Miguel Martinez  
Nick Hernandez & Patrick Ashe





# District Four Thank You Questions/ Comments



# Tab 11

## **Finance Reports**

# **Tab 11a**

## **Financial Status Update**





	A	B	C	D	E	F	G
1	FY2021 NMDOT Financial Summary as of March 1, 2021						
2							
3							
4	RESTRICTED FUNDS ONLY						
	(Dollars in Millions)						
5							
6							
7							
8							
9							
10							
11							
12							
13							
14							
15							
16							
17							
18							
19							
20							
21	1) TOTAL INFLOWS (REVENUES):	\$77.8	\$63.1	\$19.0	\$159.9	\$39.5	24.7%
22							
23	CURRENT OUTFLOWS:						
24	Personnel Services	\$2.1	\$0.0	\$0.0	\$2.1	\$1.2	57.1%
25	Contractual Services	13.7	5.4	0.8	19.9	5.8	29.1%
26	Other Operating Costs	53.2	57.7	18.2	129.1	26.3	20.4%
27	CAT 500 Transfer Out	-	-	0.0	-	0.0	0.0%
28	Debt Service	8.8	0.0	0.0	8.8	4.7	53.4%
29	2) TOTAL OUTFLOWS (EXPENDITURES):	\$77.8	\$63.1	\$19.0	\$159.9	\$38.0	23.8%

**CASH BALANCES FOR OPERATING BUDGET FUNDS**

(Balances based on data from SHARE Trial Balances on February 28, 2021)

NMIDOT-FUNDS		Dec-19	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21
ROAD FUND (10040,20100)		187,417,667	212,850,542	224,466,347	215,643,951	222,311,943	314,008,097	271,381,701	279,683,733	254,689,767	242,340,759	252,610,625	249,975,322	262,389,873	264,512,827
LOCAL GOV'T (20300)															
HIF (20200)	Restricted	28,310,879	30,188,331	31,354,880	30,733,192	31,547,969	33,492,309	33,105,219	34,555,351	34,994,349	35,323,484	36,592,090	35,345,970	36,340,782	36,897,945
SIIB (69300)	Restricted	3,574,162	3,188,987	3,270,244	3,113,244	2,955,719	3,579,999	2,994,393	2,812,945	2,694,817	2,537,200	2,437,200	2,350,715	2,770,482	2,013,520
AVIATION (20500)	Restricted	10,426,754	10,485,480	10,612,136	10,631,314	10,646,879	10,655,939	10,775,046	10,776,708	10,873,303	10,873,028	10,878,028	10,873,028	10,884,181	10,884,181
TRAFF FUND (10020,206,207,208)	Restricted	15,686,431	16,184,978	16,517,374	16,408,900	16,444,051	15,438,562	13,025,729	12,958,812	12,890,213	12,912,616	13,184,201	12,763,682	13,035,602	12,882,067
NHTSA (10010)	Restricted	2,921,831	2,921,831	3,098,127	3,100,614	3,089,383	3,122,699	2,803,168	2,792,005	2,527,857	2,683,448	2,779,178	2,703,187	2,779,178	2,829,329
FTA (10030)	Restricted	(3,299,118)	(3,290,264)	(3,350,430)	(839,791)	(1,788,707)	(1,566,181)	(2,632,992)	(1,487,576)	(480,177)	(1,559,152)	(2,021,833)	(863,716)	(1,698,627)	(495,097)
INTERLOCK (82000)	Restricted	(1,192,657)	(2,124,774)	(2,670,998)	(1,205,364)	(1,484,647)	(3,530,627)	(1,186,106)	(2,222,500)	(1,172,502)	(1,621,326)	(1,803,660)	(2,581,570)	(1,587,931)	(2,649,197)
RESTRICTED FUND TOTALS	Restricted	2,236,381	2,261,061	2,261,061	2,261,061	2,261,061	2,157,001	2,108,261	2,122,348	2,112,807	2,076,107	2,067,278	2,030,971	2,040,791	2,001,647
TOTAL CASH BALANCES		245,851,243	272,041,494	285,558,740	279,807,281	284,100,415	377,357,267	332,374,420	341,991,823	319,130,495	304,035,886	316,627,377	312,605,590	326,954,350	328,877,221





**Tab 11b**

**Approval of Budget  
Adjustment  
Request (BAR) No.  
20 - US 550 Warrant**

# Commission Brief

**SUBJECT:**

**FY21 BAR #20 P563 – HOP**

**PRESENTER:** Rick Padilla, State Maintenance Engineer

**BACKGROUND:**

A FY21 BAR is required to increase the budget authority for the FY21 US550 Warranty Program Category 300 by \$2.6 million. The Agreement with Mesa PDC for Corridor 44 (U.S. 550) Professional Services and Warranty, executed on July 27, 1998, stipulates that eligible work covered by the warranty must be administered by the State, including procurement of services and payment to the contractor performing the services. Mesa PDC will reimburse the Department for a percentage of the expenditures.

The percentage is based on an inflationary clause in the agreement. This year, the total needed is \$2,600,000 of which the percentage of Mesa PDC reimbursement will be 70.72%, \$1,838,720 and the match for the Department will be 29.28%, \$761,280 (from fund balance).

**ACTION: Request BAR Approval**



**Tab 11c**

**Approval of Budget  
Adjustment  
Request (BAR) No.  
21 - Bond Refunding**

# Commission Brief

**SUBJECT:**

**FY21 BAR #21 P562 – PDC**

**PRESENTER:** Tamara Haas, Capital and Investment Director

**BACKGROUND:**

An FY21 BAR is required to increase the budget authority in other others (CAT 400) and financing uses (CAT 500) in the amount of \$71,907,193. These funds are for the 2020A Series Refunding Revenue Bonds sold on October 28, 2020. The budget authority is needed to properly record the transfers between funds and account for the cost of issuance related to the bond refunding in the departments financial system.

**ACTION: Request BAR Approval**

**Tab 11d**  
**Approval of Budget**  
**Adjustment**  
**Request (BAR) No.**  
**22 - FHWA Releases**



# Commission Brief

**SUBJECT:**

**FY21 BAR #22 P562 – PDC**

**PRESENTER:** Mallery Manzanares, Administrative Service Director

**BACKGROUND:**

A FY21 BAR is required to establish budget authority for the FHWA program. The BAR will increase contractual services (category 300) by \$24.0 million dollars of which all is federal funds, the state match will be met with existing budget authority. The BAR constitutes as FHWA Releases that have occurred in Federal Fiscal Year 21.

**ACTION: Request BAR Approval**

**Tab 11e**  
**Approval of Budget**  
**Adjustment**  
**Request (BAR) No.**  
**23 - Brine Well**

# Commission Brief

**SUBJECT:**

**FY21 BAR #23 P564 – BSUP**

**PRESENTER:** Mallery Manzanares, Acting ASD

**BACKGROUND:**

An FY21 BAR is required to establish budget authority for the Business Support Program P564 to increase the budget authority in Other Financing Uses, Category 500, by \$1,000,000. The department will transfer the funds from State Road Fund Balance to Energy Mineral and Natural Resource Department for the Brine Well Remediation. This transfer is accordance with HB349.

**ACTION: Request BAR Approval**



# Tab 11f

## **FY20/21 Financial Hardship Match Waiver Program Local Government Road Fund**

# Commission Brief

**SUBJECT:** FY2020/2021 FINANCIAL HARDSHIP MATCH WAIVER PROGRAM  
LOCAL GOVERNMENT ROAD FUND

**PRESENTER:** Clarissa Martinez, Statewide LGRF  
Manager

## **BACKGROUND:**

- ▲ 67-3-28.2 Local Government Road Fund authorizes the Department to distribute up to one million dollars of LGRF money to municipalities and counties that can demonstrate financial hardship for use as all or a portion of the municipality's or county's 25% match fund requirement.

**ACTION:** Commission Approval

## FY21 LGRF Match Waiver Applicants Selected

District	Entity Name	Project #	Program	NMDOT waiver approved	Sum of STC Approved amount
4	VILLAGE OF EAGLE NEST	L400508	COOP	Yes	5,889.00



# Tab 11g

## **NMFA Report**

# Commission Brief

**SUBJECT: NMFA Report**

**PRESENTER: Mark Lovato, Managing Director  
Investments, NMFA**

**BACKGROUND:**

**ACTION: No Action**

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

**Agenda for March 25, 2021**

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1. NMDOT Combined Investment Summary ending February 28, 2021
  2. NMDOT/NMFA Debt Service outlook to June 15, 2021 payment as of February 28, 2021
- 

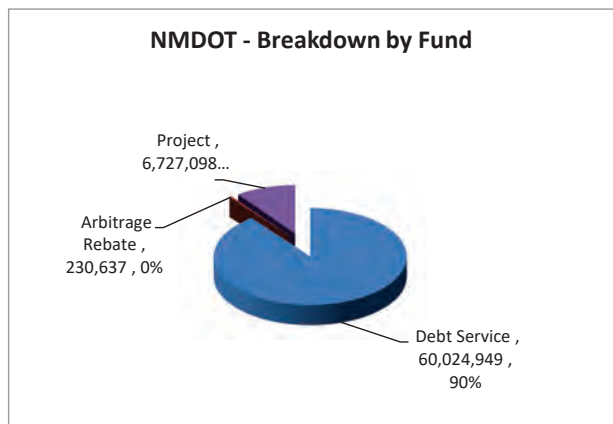
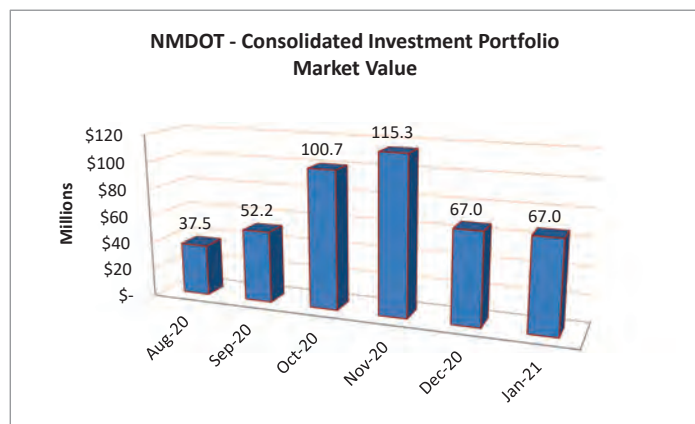


# INVESTMENT OF NM DEPT OF TRANSPORTATION BONDS NMDOT - BOND SERIES PORTFOLIO SUMMARIES

February 28, 2021

NMDOT BOND SERIES DEBT SERVICE - Portfolio Summary							
Bond Series	Beginning Balance	Bond Payment Set Aside Pmt	Interest	Ending Balance	Next Bond DS Pmt 6/15/2021	Final Maturity	Call Date
2010 A1 Senior	-	-	-	-	-	12/15/2024	12/15/2020
2010 A2 Sub	-	-	-	-	-	12/15/2021	12/15/2020
2010 B Senior	51,830,201.92	16,698,569.44	430.33	68,529,201.69	93,546,625.00	6/15/2021	6/15/2020
2012 Senior	3,114,251.07	2,180,863.64	25.86	5,295,140.57	8,479,875.00	6/15/2026	6/15/2022
2014 A Sub	1,691,018.14	1,030,227.28	14.04	2,721,259.46	4,208,125.00	6/15/2032	6/15/2024
2014 B1 Senior	166,415.51	558,000.00	1.38	724,416.89	1,534,500.00	6/15/2027	6/15/2024
2014 B2 Sub	947,958.39	424,636.36	7.87	1,372,602.62	1,997,750.00	6/15/2027	6/15/2024
2018 A Sub	1,413,491.79	3,915,954.54	11.73	5,329,458.06	11,083,875.00	6/15/2030	6/15/2028
2020 A Senior	861,611.69	796,770.00	2.74	1,658,384.43	1,991,925.00	6/15/2025	
<b>TOTAL</b>	<b>60,024,948.51</b>	<b>25,605,021.26</b>	<b>493.95</b>	<b>85,630,463.72</b>	<b>122,842,675.00</b>		

NMDOT BOND SERIES PROJECT/OTHER FUNDS - Portfolio Summary				
Bond Series	Beginning Balance	Draws - Payments	Interest	Ending Balance
2006 A Arbitrage	230,636.69		1.91	230,638.60
2014 A Project	6,727,098.48	-	55.85	6,727,154.33
<b>TOTAL</b>	<b>6,957,735.17</b>	<b>-</b>	<b>57.76</b>	<b>6,957,792.93</b>



NMDOT BOND SERIES LINE OF CREDIT - Portfolio Summary					
Line of Credit	Beginning Balance	Draws - Contributions	Commitment Fee	Ending Balance	Agreement Terms
Wells Fargo	50,000,000.00			50,000,000.00	BNSF Line expires 6/30/2022 LOC started July 2013
Payments	-	-	-	-	Used : 1-mo LIBOR + .77%    Unused : .19% Commitment Fees Paid \$712,069
<b>TOTAL</b>	<b>50,000,000.00</b>	<b>-</b>	<b>-</b>	<b>50,000,000.00</b>	



# NMDOT/NMFA OUTSTANDING BOND DEBT SERVICE

For Period: 2st half Fiscal Year 2021

Bond Series	Current Amount Outstanding	Final Maturity Date	Principal Debt Service Due 6/15/2021	Interest Debt Service Due 6/15/2021	Total Debt Service Due 6/15/2021	Debt Service held as of 2/28/2021	Shortage / Overage as of 2/28/2021
<b>Fixed Rate Bonds</b>							
2010 A-1 Sr	-	12/15/24		-	-	-	0
2010 A-2 Sub	-	12/15/21		-	-	-	0
2010 B Sr	91,265,000	6/15/21	91,265,000	2,281,625	93,546,625	68,529,202	(25,017,423)
2012 Sr	159,055,000	6/15/26	4,965,000	3,514,875	8,479,875	5,295,141	(3,184,734)
2014 A Sub	58,325,000	6/15/32	2,750,000	1,458,125	4,208,125	2,721,259	(1,486,866)
2014 B-1 Sr	61,380,000	6/15/27		1,534,500	1,534,500	724,417	(810,083)
2014 B-2 Sub	13,510,000	6/15/27	1,660,000	337,750	1,997,750	1,372,603	(625,147)
2018 A Sub	418,155,000	6/15/30	630,000	10,453,875	11,083,875	5,329,458	(5,754,417)
2020 A Sr	63,180,000	6/15/25		1,991,925	1,991,925	1,658,384	(333,541)
	864,870,000		<b>101,270,000</b>	<b>21,572,675</b>	<b>122,842,675</b>	<b>85,630,464</b>	<b>(37,212,211)</b>
Senior Lien	374,880,000						
Subordinate Lien	489,990,000						
Total	864,870,000						
<b>Payments on Dec 15, 2020</b>			<b>9,470,000</b>	<b>19,808,250</b>	<b>29,278,250</b>		
<b>TOTAL Annual DS</b>			<b>110,740,000</b>	<b>41,380,925</b>	<b>152,120,925</b>		

# Tab 12

## **Policy Reports**

# Tab 12a

**Final rule action report  
and recommendation  
to adopt Rule 18.27.6 -  
the Transportation  
Project Fund, to be  
effective April 20, 2021**

# Commission Brief

**SUBJECT:** Final rule action report and recommendation to adopt Rule 18.27.6 - the Transportation Project Fund, to be effective April 20, 2021.

**PRESENTER:** Stephen P. Thies, Assistant General Counsel

**BACKGROUND:** During the 2019 legislative session, the legislature passed HB 694 which created a new fund known as the “Local Government Transportation Project Fund” (LGTPF). The LGTPF serves as an expeditious mechanism to distribute appropriated funds to local governments using the NMDOT’s existing Metropolitan Planning Organization and Regional Transportation Planning Organization planning process. The Legislature changed the name of the fund during the 2020 Regular Session to the Transportation Project Fund.

Due to the timelines specified in HB 694, the NMDOT passed an emergency rule in mid-2019 to administer the initial \$50 million appropriation. (No money was appropriated to the fund during the 2020 Regular Session). At the same time the State Transportation Commission authorized the adoption of an emergency rule, it authorized the adoption of a permanent rule. That rulemaking process has now been completed. Please see the attached Intra-Departmental Correspondence for additional background on the adoption of the rule.

**ACTION:** Staff requests approval of the Rule to be effective after publication in the New Mexico Register on April 20, 2021.





## Intra-Departmental Correspondence

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Date: February 16, 2021

TO: Michael Sandoval, Cabinet Secretary

From: Stephen P. Thies, Assistant General Counsel

Subject: Final Rulemaking Report - Rule 18.27.6 - the Local Government Transportation Project Fund

\*\*\*\*\*

On April 18, 2019, the State Transportation Commission authorized the opening of rulemaking proceedings to adopt a rule implementing the Local Government Transportation Project Fund.

After publishing the Notice of Proposed Rulemaking in the New Mexico Register on October 15, 2019, the NMDOT held six public hearings in each of the individual transportation districts for the purpose of receiving oral and written public comment from interested parties on the proposed rule. A copy of the draft rule was posted on the NMDOT's website on that same date. In addition to its publication in the New Mexico Register, the Notice of Proposed Rulemaking was published in a newspaper located in the respective districts and sent to all the Metropolitan Planning Organizations, the Regional Transportation Planning Organizations, the New Mexico League of Municipalities and the New Mexico Association of Counties for distribution to their members. The schedule for the public hearings was as follows:

- District 2 on November 19, 2019, in Roswell.
- District 1 on November 20, 2019, in Las Cruces.
- District 6 on November 20, 2019, in Milan.
- District 4 on November 20, 2019, in Las Vegas.
- District 3 on November 25, 2019, in Albuquerque.
- District 5 on November 25, 2019, in Santa Fe.

The public comment period closed at 12:00 p.m. on November 25, 2019, which coincided with the conclusion of the last public hearing.

Copies of the written comments received during the public comment period together with transcripts of the six public hearings can viewed on the NMDOT website at the following Internet link, under the *Public Notices* tab: <https://dot.state.nm.us/content/nmdot/en/public-notice.html>.

A summary of both the written and oral comments received during the public comment period is attached. Also attached is the Concise Explanatory Statement required by the New Mexico State Rules Act. A copy of the statement will be provided to all parties who submitted comments, either in writing or orally, and any other party who requested a copy.

A redline copy of the final rule is attached showing the changes made to the draft rule along with a clean copy.

You are requested to place the Final Rulemaking Report on the agenda for the State Transportation Commission's March 25, 2021 meeting. If the rule is approved, it would be published in the State Register on April 20, 2021 and would become effective on its day of publication.

## **TITLE 18      TRANSPORTATION AND HIGHWAYS**

### **CHAPTER 27          HIGHWAY CONSTRUCTION GENERAL PROVISIONS**

#### **PART 6                  TRANSPORTATION PROJECT FUND**

**18.27.6.1      ISSUING AGENCY:** New Mexico department of transportation, Post Office Box 1149, Santa Fe, New Mexico 87504-1149.

[18.27.6.1 NMAC – N, \_\_/\_\_/21]

**18.27.6.2      SCOPE:** This rule covers the application, evaluation, award and close out process for the transportation project fund (the fund) and all eligible entities in the state of New Mexico applying for and receiving grant money from the fund.

[18.27.6.2 NMAC – N, \_\_/\_\_/21]

**18.27.6.3      STATUTORY AUTHORITY:** Sections 67-3-11, 67-3-28 and 67-3-78 NMSA 1978.

[18.27.6.3 NMAC – N, \_\_/\_\_/21]

**18.27.6.4      DURATION:** Permanent.

[18.27.6.4 NMAC – N, \_\_/\_\_/21]

**18.27.6.5      EFFECTIVE DATE:** April 20, 2021 unless a later date is cited at the end of a section.

[18.27.6.5 NMAC – N, \_\_/\_\_/21]

**18.27.6.6      OBJECTIVE:**

A.      In 2019, the New Mexico legislature enacted Laws of 2019, Chapter 205, Section 1, which created the local government transportation project fund and was compiled as Section 67-3-78 NMSA 1978. In 2020, the New Mexico legislature enacted Laws of 2020, Chapter 31, Section 1, which made certain amendments to the local government transportation project fund enabling statute including changing the title of the fund to simply “transportation project fund.” Money in the transportation project fund is appropriated to the New Mexico department of transportation to administer the fund and to make grants to eligible entities for transportation projects.

B.      The purpose of this rule is to describe the application, evaluation, award, and close out processes to be administered by the department for money appropriated to the fund by the New Mexico legislature for the development of transportation infrastructure.

[18.27.6.6 NMAC – N, \_\_/\_\_/21]

**18.27.6.7      DEFINITIONS:** As used in this rule:

“Annual appropriation” means the annual amount of state funds appropriated to the fund by the legislature.

“Beautification project” means a landscape project that is intended to enhance the attractiveness of a public right-of-way or a transportation facility.

“Commission” means the state transportation commission.

“Department” means the New Mexico department of transportation.

“DFA” means the department of finance and administration of the state of New Mexico.

“Directive” is a written communication that prescribes or establishes policy, organization, methods, procedures, requirements, guidelines, or delegations of authority. It also provides information essential to the administration or operation of the fund.

“District” means one of the six New Mexico department of transportation districts.

“District engineer” means the department of transportation district engineer as designated pursuant to Subsection (C) of Section 67-3-8(C) NMSA 1978 (2019).

“Eligible entity” means those entities eligible under the provisions of the transportation project fund to receive grants for transportation projects.

“Fiscal year” means 12 calendar months commencing on July 1 and ending on June 30 of the year being described.

“Fund” has the same meaning as defined in Section 67-3-78 NMSA 1978 (2019).

“Grant” means the award of funds from the fund to a grantee for a transportation project.

“Grantee” means an eligible entity receiving a grant.

“Grant agreement” means a written document memorializing the terms and conditions of a grant award granted pursuant to the grant program.

“Grant award” means the funds awarded to a grantee from the fund pursuant to a grant.

“Grant program” means the grant program established by the department to make grants to eligible entities for transportation projects. “Landscape” or “landscaping” means any vegetation, mulches, irrigation systems, and other landscape components, such as street furniture, specialty paving, tree gates, walls, planters, fountains, fences, and lighting (excluding public utility street and area lighting).

“Landscape project” means any planned or actual landscape or landscaping on a public right-of-way, including its construction or installation, planning, beautification, and maintenance thereof, by a municipality, county, tribe, or an abutting private property owner or other non-governmental entity.

“Letter of approval” means a document issued by a district engineer that authorizes an eligible entity to proceed with a project that is located in full or in part within a department right-of-way or NHS route, or when the project ties into or crosses a department right-of-way or an NHS route, or when the project may have an effect on existing improvements within department rights-of-way. A project agreement is not required for a project that receives a letter of approval.

“Letter of authorization” means a document issued by a district engineer that authorizes an eligible entity to proceed with seeking funding for a project that is located in full or in part within a department right-of-way or NHS route, or when the project ties into or crosses a department right-of-way or an NHS route, or when the project may have an effect on existing improvements within department rights-of-way. A letter of authorization is a conditional approval of a project. Final approval shall be given by a project agreement.

“Local funds” means revenue received from any locally imposed gross receipts tax, property tax, municipal gasoline tax, franchise fee, user fees or any other locally imposed



fees or taxes, and enterprise activities, which can be lawfully used for transportation projects, but excluding state grants and loans and federal grants.

“Maintenance” is defined as the planned strategy of extending the service life of an existing roadway system, including its structures and appurtenances, by applying cost-effective treatments or procedures that preserves the system, retards future deterioration, and maintains or improves the functional condition of the system without significantly increasing the structural capacity. Examples of pavement related maintenance activities include asphalt crack sealing, chip sealing, slurry or micro-surfacing, thin and ultra-thin hot-mix asphalt overlay, concrete joint sealing, diamond grinding, dowel-bar retrofit, and isolated, partial and/or full-depth concrete repairs to restore functionality of the slab; e.g., edge spalls, or corner breaks. Examples of maintenance activities for bridge structures include deck joint repair and replacement; bearing repair and replacement; localized deck repairs; deck sealing; grid deck section repair or localized section replacement; concrete repair on pedestals, bents, caps, piling, piers, and columns; and bridge deck drainage.

“Metropolitan transportation plan” means the official multimodal transportation plan addressing no less than a 20-year planning horizon that a MPO develops, adopts, and updates through the metropolitan transportation planning process.

“MPO” means metropolitan planning organization.

“National Highway System” or “NHS” means that system of highways designated and approved in accordance with the provisions of 23 U.S.C. 103(b).

“Non-state money” has the same meaning as defined in Section 67-3-78 NMSA 1978 (2019).

“Program guidelines” means guidelines for the operation of the grant program established and revised by the department from time to time.

“Project agreement” means a written document between an eligible entity and the department that memorializes the roles and responsibilities of the parties with respect to a project that receives a letter of authorization. The project agreement will include, but is not limited to, the roles and responsibilities with respect to design standards and exceptions, compliance with state, local and federal regulations, survey and right of way acquisition requirements, and construction phase duties and obligations. A project agreement is required in addition to a grant agreement.

“Public authority” is defined as a Federal, State, county, municipality, village, town, tribe, or other local government or instrumentality with authority to finance, build, operate, or maintain a public roadway.

“Public highway” means every public street, road, highway or thoroughfare of any kind in this state used by the public whether actually dedicated to the public and accepted by proper authority or otherwise.

“Public right-of-way” means a strip of property, owned by a public authority, within which a public roadway exists or is planned to be built. The public right-of-way consists of all lands within the defined highway right-of-way limits, including airspace above and below the facility. This area typically includes, but is not limited to, the roadway(s), shoulders, and sidewalk(s), if any; areas for drainage, utilities, landscaping, berms, and fencing; rest areas; and the defined clear zone.

“Public roadway” means any road or street owned and maintained by a public authority and open to public travel.

“Regional transportation plan” means the multimodal transportation plan for the non-metropolitan area covered by the RTPO, developed, adopted and updated through the RTPO planning process.

“Roadway” means that portion of a public roadway intended for vehicular use.

“RTPO” means regional transportation planning organization.

“Secretary” means the cabinet secretary of the New Mexico department of transportation or designee.

“State highway” means every public highway which has been designated as a state highway either by the legislature or by the state transportation commission.

“Transportation facility” means any road, bridge, tunnel, overpass, ferry, airport, mass transit facility, vehicle parking facility, port facility, sidewalk, bicycle facility or similar facility used for the transportation of persons or goods, together with any buildings, structures, parking areas, appurtenances, and other property needed to operate such facility.

“Transportation infrastructure” has the same meaning as defined in Section 67-3-78 NMSA 1978 (2019).

“Transportation project” has the same meaning as defined in Section 67-3-78 NMSA 1978 (2019).

“Transportation improvement program” (TIP) means a prioritized listing/program of transportation projects covering a period of 4 years that is developed and formally adopted by a MPO as part of the metropolitan transportation planning process, consistent with the metropolitan transportation plan, and required for projects to be eligible for funding under title 23 U.S.C. and title 49 U.S.C. chapter 53.

“Tribal/Local Public Agency Handbook” means the most recent edition of the guidance developed by the department to assist tribal and local public agencies in successfully navigating the planning, design, and implementation of federally-funded transportation projects.

[18.27.6.7 NMAC – N, \_\_/\_\_/21]

#### **18.27.6.8 GENERAL GUIDELINES:**

A. The department may make grants to eligible entities for transportation projects as funds are appropriated in a manner deemed necessary to effectuate the purposes of the fund.

B. Eligible projects include environmental and other studies, planning, design, construction and acquisition of rights of way necessary for the development of transportation infrastructure, and includes highways, streets, roadways, bridges, crossing structures, parking facilities, including all areas for vehicular, transit, bicycle or pedestrian use for travel, ingress, egress and parking. An eligible entity may seek funding for any discrete phase of a transportation project. A project included in a transportation improvement program is an eligible project provided the project is not funded with federal funds and the project does not qualify as a beautification project.

C. The department will award up to 95% of the total cost of a transportation project provided that the eligible entity has demonstrated an ability to provide the remainder of the project costs in local funds. The eligible entity is responsible for any and all expenditures in excess of the grant award.

D. The department will award up to 100% of the total cost of a transportation project if a financial hardship qualification certificate is issued by DFA, or if the department

makes such a determination in the event a tribe requests a waiver. The eligible entity is responsible for any and all expenditures in excess of the grant award.

E. Costs associated with preparing, reviewing, and submitting an application and any required supporting documentation prepared by the eligible entity, and any costs of a consultant's services incurred in preparing an application, are not eligible for grant funding participation.

F. The department will not perform any in depth analysis or review of project scope, cost estimates, functionality, project phasing and scheduling or overall constructability. The department may conduct an in-depth analysis after the completion of a project when evaluating the eligible entity's ability to properly administer, implement and complete a project.

G. Applicants must have the ability to successfully deliver their project.

H. All grant awarded funds must be spent no later than thirty (30) months from the effective date of the grant agreement.

I. All grants are subject to department audit.

J. Grants awarded to an eligible entity will be provided for a specific project. Unexpended funds cannot be used for any other purpose or project. A grant award can be used for any project included in the state transportation improvement program provided the project will not be receiving any federal funding and is not a transportation beautification project. Unexpended grant awards will be returned to the department after project completion.

[18.27.6.8 NMAC – N, \_\_/\_\_/21]

#### **18.27.6.9 CALL FOR PROJECTS:**

A. The department will invite eligible entities to submit applications for grants from the fund for transportation projects by a call for projects letter using a two-phase application process. The first phase will consist of a request to submit a project feasibility form. Submittal of the project feasibility form is mandatory in order to be eligible to submit a full application in the second phase. If a project is determined to be feasible, phase two will consist of a request for the eligible entity to submit a completed project application. Any specific criteria applicable to the funding cycle will be specified in the call for projects. Applications for program funds shall conform to the application instructions described in the call for projects or the phase two request. Any procedures, requirements, conditions, restrictions, and limitations applicable to the funding cycle other than those contained in this rule will be specified in the call for projects or the phase two application request.

B. The completed phase one feasibility form must be submitted to the appropriate MPO or RTPO based on a project's physical location on or before the date specified in the call for projects. Failure to timely submit the required project feasibility form as required in the call for projects will result in the eligible entity being ineligible for funding in the funding cycle.

C. The completed project application must be submitted to the same MPO or RTPO where the project feasibility form was submitted unless otherwise instructed in writing by the department. Failure to timely submit the phase two project application will result in the eligible entity being ineligible for funding in the funding cycle.

D. An incomplete project feasibility form or project application will be rejected and will not be considered for funding in the funding cycle unless amended or corrected on or before the date specified in the call for projects.

[18.27.6.9 NMAC – N, \_\_/\_\_/21]

**18.27.6.10 FINANCIAL HARDSHIP:**

A. Eligible entities may request a waiver of their share in whole or in part due to financial hardship. Waiver requests with supporting documentation shall be submitted to the department's division or bureau designated in the call for projects.

B. If the eligible entity's application is accepted, the eligible entity shall submit a resolution or certification indicating that it cannot match all or a portion of its share. The resolution or certification shall be signed by the appropriate eligible entity official(s).

C. The department will request from the DFA's local government division a financial analysis and recommendation on a financial hardship request submitted by a county or municipality. The department will conduct the financial analysis if a waiver request is made by a tribe. The eligible entity shall cooperate with any request to provide necessary financial documents or other information requested by DFA or the department in conjunction with a financial analysis. Failure to do so will result in a denial of the waiver request.

D. If a waiver is granted, the eligible entity must request an amendment to its Grant Agreement.

[18.27.6.10 NMAC – N, \_\_/\_\_/21]

**18.27.6.11 APPLICATION PROCEDURES, REVIEW AND EVALUATION PROCESS:**

A. Any eligible entity interested in applying for a grant award must submit a completed project feasibility form to their MPO or RTPO. A complete project feasibility form must be submitted to the appropriate MPO or RTPO before the deadline specified in the call for projects.

B. If a project is determined to be feasible, the eligible entity will be requested to submit a project application.

B. Timely application packages will be reviewed and ranked by the MPO/RTPO using the criteria specified in the call for projects.

C. Each MPO/RTPO will submit its ranked list of projects to the district engineer for the district where the project is located no later than thirty (30) days prior to the start of the fiscal year in which funding is available.

D. Each individual district engineer will present their recommendation to the secretary prior to start of the fiscal year in which funding is available.

E. The secretary shall by August 1<sup>st</sup> of the fiscal year in which funds are available submit a proposed list of transportation projects identified by the above described project review process to the commission.

F. Final project selection and funding amounts will be determined by the commission no later than September 1<sup>st</sup> of that same fiscal year. The commission's decision will be final. At its discretion, the commission may adjust the projects selected in an effort to program funds in a geographically equitable manner or in any other manner. The commission may, in its sole discretion, reject all applications or award grants totaling less than the funds appropriated for the particular fiscal year. The commission may approve subsequent changes to a priority list as it deems necessary.

G. After projects are selected, the department will send out award letters and grant agreements to the selected eligible entities. Applicants whose projects were not selected



will be notified as well. Each awarded eligible entity must execute a grant agreement with the department. Once a fully executed grant agreement has been received by the department, the eligible entity may then proceed with authorized project activities. If the eligible entity fails to execute and return the grant agreement within sixty (60) days of receiving the notice of award, the project shall be considered lapsed and may be submitted to the commission for re-programming.

H. The department shall disburse the grant to the eligible entity after receipt of a request for disbursement submitted by the eligible entity to the department and receipt of a fully executed project agreement. The format of the request for disbursement will be determined by the department.

I. Any moneys appropriated to a specific eligible entity by the legislature shall be disbursed to the eligible entity after receipt of a request for disbursement submitted by the eligible entity to the department and the receipt of a fully executed project agreement.  
[18.27.6.11 NMAC – N, \_\_/\_\_/21]

#### **18.27.6.12 APPLICATION REQUIREMENTS:**

Applicants must submit the following documents (as a single PDF) as part of the application process:

A. Completed Application. The format and content of the application will be determined by the department;

B. Resolution of Sponsorship from their governing body, indicating the availability of the proposed match. Subject to any local restrictions, the resolution may provide that the applicant's chief executive or other appropriate officer is authorized to sign the grant agreements and all associated documents and amendments on behalf of the eligible entity as required for receipt of the grant. Alternatively, the applicant may submit an official letter signed by the applicant's chief executive or official with budget authority, indicating the availability of the match;

C. Detailed map of project location;

D. If applicable, letters of support from the governmental entity that owns in fee simple or possesses a perpetual easement for the project right-of-way (ROW) if the applying applicant does not own in fee simple or possess a perpetual easement for all of the project ROW; and

E. If applicable, a letter of approval or authorization from the district engineer.

[18.27.6.12 NMAC – N, \_\_/\_\_/21]

**18.27.6.13 EVALUATION PROCESS:** Each MPO/RTPO will be evaluating and ranking projects based on the specific merits of the individual projects using the evaluation criteria specified in the call for projects.

[18.27.6.13 NMAC – N, \_\_/\_\_/21]

#### **18.27.6.14 AGREEMENT CONDITIONS, REQUIREMENTS AND PROCEDURES:**

A. The eligible entity must expend and account for grant funds in accordance with state laws and procedures for expending and accounting for its own funds.

B. If an eligible entity commences performance on a transportation infrastructure project but fails to complete the project, the department may seek reimbursement of the grant award received by the eligible entity for that project.

C. The department shall have the right to evaluate the activities of eligible entity as necessary to ensure grant awards are used for authorized purposes in compliance with applicable laws, regulations and the provisions of the grant agreement.

[18.27.6.14 NMAC – N, \_\_/\_\_/21]

#### **18.27.6.15 DESIGN/BIDDING/CONSTRUCTION:**

A. A transportation project that is located in full or in part within a department right-of-way or NHS route eligible entity must be administered in accordance with the “Tribal/Local Public Agency Handbook”.

B. A transportation project that ties into or crosses a department right-of-way or an NHS route, or when the project may have an effect on existing improvements within department rights-of-way, requires the approval of the department as evidenced by either a letter of approval or letter of authorization from the district engineer for the district where the project is located. The eligible entity shall contact the appropriate district engineer to determine if either is needed for the project. The district engineer will conduct a review of the project and determine whether the project requires a letter of approval or a letter of authorization from the department. If the district engineer determines the project does not require a letter of authorization, the district engineer, or designee, will submit a letter of approval to the eligible entity. If the district engineer determines the project requires a letter of authorization, the eligible entity must enter into a project agreement with the department before any grant funding will be distributed. The eligible entity shall cause the project to be constructed in compliance with any and all department designated standards, conditions and criteria as specified in the project agreement.

C. For transportation projects funded entirely by the fund, or in combination with local funds, and no Federal-aid funds are involved, the following apply:

(1). It will be the eligible entity’s responsibility to ensure compliance with any and all state, local and federal regulations including the Americans with Disabilities Act (ADA) and laws regarding noise ordinances, air quality, surface water quality, ground water quality, threatened and endangered species, hazardous materials, historic and cultural properties, and cultural resources. The department will not be involved in permit preparation, review, or coordination with the regulatory agencies. However, the eligible entity shall provide to the district where the project is located a copy of any permit identified by the department in the project feasibility form.

(2). Projects on locally owned roadways are to be designed in accordance with the eligible entity’s established design standards. The eligible entity is responsible for ensuring that the plans, specifications and estimates meet applicable design criteria and standards. The department will not perform any detailed technical reviews of project design and related documents.

D. In accordance with Section 67-3-62 NMSA 1978, any transportation projects for constructing highways along new alignments or for purposes of substantially widening highways along the existing alignments must consider provisions for pedestrian, bicycle, and equestrian facilities concurrent with the design of the project.

E. Pursuant to Section 61-23-26 NMSA 1978, all transportation projects involving engineering requires the engineering to be under the responsible charge of a licensed professional engineer.

F. The eligible entity will be responsible for advertising the project for construction bids and for receiving and publicly opening bids received for the project. The department will have no involvement in the bidding process.

G. The eligible entity shall follow its normal procedures for award of the contract and assure that all applicable requirements are followed. The eligible entity shall retain the executed contract, document the award date, and the preconstruction conference minutes as part of the project files. The department will have no involvement in the award of the contract and will not participate in resolving any disputes between the eligible entity and its bidders.

H. The eligible entity will have the responsibility and control of the construction phase and resulting quality of the completed work. The department will have no involvement in the construction phase other than its discretionary ability to periodically monitor the implementation of the project, and will not participate in resolving any disputes between the eligible entity and its contractor.

I. Department personnel will not conduct periodic assurance inspections or comparison material testing. The department, at its discretion, may perform a final inspection upon project completion.

[18.27.6.15 NMAC – N, \_\_/\_\_/21]

#### **18.27.6.16 PROJECT EVALUATION:**

A. The eligible entity's performance and administration of the grant funding will be reviewed and evaluated by the department at the completion of the project or, if the eligible entity fails to complete the project, following the close of the fiscal year in which the project was to be completed. If an eligible entity demonstrates, pursuant to the criteria set forth in subsection B below, an inability to properly administer a project a reduction of twenty (25%) percent will be applied to the scoring criteria applicable to the eligible entity's next project application .

B. The following criteria shall be used in determining the ability of an eligible entity to properly administer a project:

(1) Whether the eligible entity demonstrated a pattern of unsatisfactory project implementation and completion;

(2) Whether the eligible entity has failed to keep all required books, make all requested reports, and conform to all rules and regulations adopted by DFA's local government division, financial management bureau applicable to the grant;

(3) Whether the eligible entity fails the complete the project within the allotted time; or

(4) Whether the department obtains documentation through an audit or audits that finds the eligible entity has not performed in accordance with the terms of the grant agreement, the standards set forth in the grant agreement, in accordance with generally accepted governmental accounting principles, or failed to comply with any and all state, local and federal regulations including the Americans with Disabilities Act (ADA) and laws regarding noise

ordinances, air quality, surface water quality, ground water quality, threatened and endangered species, hazardous materials, historic and cultural properties, and cultural resources.

C. In the event the department has conducted an evaluation pursuant to this section and has issued a preliminary determination that the eligible entity has demonstrated an inability to properly administer a project, the department shall provide written notice of the determination to the eligible entity with an opportunity to provide additional information within thirty (30) calendar days, unless the parties to some other timeframe, to address, mitigate or refute the conclusions of the department.

(1) If the eligible entity does not produce any additional information with the designated timeframe, the preliminary determination of the department shall become final.

(2) If the eligible entity produces information with the designated timeframe, after considering the additional information the department will promptly issue a final a final determination.

[18.27.6.16 NMAC – N, \_\_/\_\_/21]

#### **18.27.6.17 PROJECT DOCUMENTATION:**

A. The eligible entity shall maintain a complete set of project files for a period of not less than five (5) years following the completion of the project. The project files shall contain all documents that are specified as required by the grant agreement.

[18.27.6.17 NMAC – N, \_\_/\_\_/21]

#### **18.27.6.18 PROJECT MONITORING AND CLOSE OUT:**

A. The department reserves the right to request the eligible entity to submit progress reports at any time. Reports are due within thirty (30) days of such a request.

B. Within sixty (60) days after the date of completion of the project, the eligible entity must submit a written certification that it has complied with the requirements of this rule and the grant agreement.

C. The department reserves the right to request the eligible entity to submit additional documentation to demonstrate completion of the terms and conditions required by the grant program. It is the responsibility of the eligible entity to comply in full with all such requests and to submit the requested documentation in a timely manner.

D. Financial audits of the project may be required. Financial audits do not limit the authority of the department to conduct or arrange for additional audits, reviews, and evaluations. The eligible entity must make records available for review or audit upon request by the department. The department is entitled to recover amounts based on the results of an audit.

[18.27.6.18 NMAC – N, \_\_/\_\_/21]



February 16, 2021

## CONCISE EXPLANATORY STATEMENT

The New Mexico Department of Transportation (“NMDOT”) hereby adopts a new rule for the purpose of establishing the processes to be used in administering the money appropriated to the Transportation Project Fund by the New Mexico Legislature.

**(1) Statutory Authority for Rule Promulgation:** Section 67-3-11, NMSA 1978, authorizes the NMDOT to make all rules and regulations as may be necessary to carry out the provisions of Chapter 67 NMSA 1978.

**(2) Effective Date of Rule:** April 20, 2021

**(3) Date of Adoption of Rule:** March 25, 2021

**(4) Reasons for Adopting Rule:** The adopted rule is intended to establish the application, evaluation, award, and close out processes to be used by the NMDOT in administering the money appropriated to the Transportation Project Fund by the New Mexico Legislature.

**(5) Reasons for Changes from Published Rule:** The final rule remedies certain typographical designation errors. In particular, Subsections D, E and F of 18.27.6.15 NMAC are paragraphs that should have been designated by whole numbers in parentheses from (1) to (3). Corresponding corrections were made to the remaining subsections in that section. Another typographical designation error was the reference to Section 67-3-78 NMSA in the definition of “District Engineer”. The changes are non-substantive edits to the rule.

The final rule has been amended to reflect recent legislative changes made to the original enabling legislation (HB 694 enacted during the 2019 legislative session and signed into law on April 3, 2019, codified at Section 67-3-78 NMSA 1978 (2019)). HB 207, which was passed during the 2020 regular legislative session and signed into law on March 4, 2020, changed the name of the fund. Going forward, the fund will simply be known as the “Transportation Project Fund.” In addition, HB 207 added tribes to the list of eligible entities, added “transit, bicycle and bicycle” projects to the definition of transportation infrastructure and expanded the types of projects eligible for funding to include maintenance projects while expressly excluding beautification projects. These additions necessitated the need for new definitions and other edits. These amendments fall within the scope of the current rulemaking and do not require a new proceeding.

The NMDOT held six (6) public hearings during the public comment period. Substantive feedback and public comments were received at the hearings and during the comment period that support a number of amendments to the published proposed rule.

Amendments were made to the final rule to substitute words as suggested by a number of comments. For example, a comment suggested that the use of the word “participate” did not reflect the intent of the enabling statute. Another comment suggested that use of the phrase “matching share” is a mischaracterization. In addition to the suggested changes, a few other word substitutions or additions were made to the final rule for clarification purposes. These amendments fall within the scope of the current rulemaking and do not require a new proceeding.

Numerous comments were directed towards the description of what constitutes an eligible project. To address any misunderstanding, the final rule has been amended to explicitly provide that a project can be phased and that funding can be sought for any particular phase. For example, an eligible entity can submit an application for a planning or design project, a corridor or feasibility study, seek funding for just the construction phase of an already designed project, or request funds for the entire project. Regardless whether funding is sought for a distinct phase or the entire project, project readiness and the ability to complete the project or the phase for which funding is sought within the specified grant period is important. Eligible entities should take note that if funding is sought for a specific phase of a project the applicant should consider whether federal funding may be sought for a subsequent phase. Receipt of federal funding for a future phase could be jeopardized if an earlier phase did not comply with federal requirements.

The final rule has been amended to provide that projects receiving federal funds are not eligible under the program. Specifically, a local government cannot use this program to provide its match on a federally funded project. In order for a project, or an identified phase of a project (i.e. design, right of way, construction, or utilities), to be included in the State Transportation Improvement Program (STIP), it is necessary that full funding for the project be reasonably anticipated to be available for the project within the time period contemplated for completion of the project. There exists no reasonable anticipation that any project will receive funding from the program. However, a regionally significant project that appears in the STIP will be eligible provided it receives no federal funding.

The NMDOT received a number of comments and inquiries related to consultant costs incurred in preparing an application and the use non-cash contributions especially by small communities. The final rule clarifies that the costs of a consultant associated with the preparation of an application are not eligible for reimbursement. As for the use of non-cash contributions, allowing this practice would require much greater oversight on the part of the NMDOT to verify and quantify the non-cash contribution. The intent of the program is to limit the NMDOT’s involvement and oversight of the grants, not to increase it.

The process used to solicit and select projects received extensive commentary including comments from those planning organizations who conducted that process during the initial funding cycle. After considering those comments, the final rule will provide for a two-phase process. Phase-one will consist of the submission of a project feasibility form in response to a call for projects. The project feasibility will allow for a basic review of project feasibility including the need to comply with cultural or biological resources, or applicable environmental

regulations. Phase-two will consist of the submission of a more in-depth project application. Both the feasibility form and the application will be submitted to the MPO/RTPO where the project is located. Each MPO/RTPO will be evaluating and ranking projects in an open meeting based on the specific merits of the individual project using the evaluation criteria specified in the call for projects. The NMDOT is currently in the process of developing the criteria for future use. The criteria will apply statewide regardless of the project's location and will be contained in the call for projects. More guidance related to this process will be forthcoming in a program guide.

Numerous comments were directed towards the need to submit project certifications similar to those required by other NMDOT programs. One comment encouraged greater oversight of a local government's compliance with cultural or biological resources than suggested by the draft rule. Consistent with the intent of the program to limit oversight on the part of the NMDOT, the NMDOT will not require submission of any certifications if the project receives no federal funding. Nevertheless, the NMDOT has a responsibility to the legislature to ensure that the appropriated funds are being used in accordance with applicable laws and regulations. As a result, the phase one feasibility form will be reviewed by the NMDOT's Environmental Bureau to identify whether the project invokes any regulatory issues. If a permit is determined to be necessary, the local government will be obligated to provide the NMDOT with a copy. In addition to providing a copy of any identified permits, the NMDOT has the right to conduct an audit of the local government's compliance with cultural or biological resources, environmental regulations, and other applicable laws and regulations.

Numerous comments were received relating to the requirement that the local government must return an executed grant agreement within 30 days of receiving the notice of award. Concern was expressed regarding the ability of the governing body to pass a resolution within that time-period. The final rule extends that time-period to 60 days. In addition, the final rule does not contain any requirement that the governing body pass a resolution authorizing the execution of the grant agreement. Whether such a resolution is necessary will depend on local requirements. If such a resolution is necessary, the local government is given the option to include a provision in the resolution of sponsorship submitted with the application authorizing the appropriate local governmental official, such as the county or city manager, to execute the grant agreement without the need to obtain later governing body approval if awarded a grant.

Based on comments received, the requirement that the local government submit a resolution indicating the availability of the proposed match appears to be misunderstood. By default, the program provides that the NMDOT will award 95% of the estimated cost of a project as reflected in the project application unless the local government requests a lesser amount. The resolution needs to provide that the local government has budgeted or otherwise made arrangements for its 5% contribution, or if the local government is contributing more than 5% of the estimated costs has budgeted or made arrangement for the increased percentage being contributed.

Several comments were received relating to the disbursement process. The relevant provision in the final rule has been amended to clarify that the grant agreement cannot impose any additional requirements on the disbursement process other than those contained in the final rule. The final rule contains two requirements: (1) submission of a request for the grant funds; and (2) return of a fully executed grant agreement. After their receipt, the NMDOT will disburse 100% of the awarded grant funds to the eligible entity. Other agreements between the NMDOT and a local government may provide for a reimbursement process. A disbursement differs in that it is a one-time payment of the entire grant award while a reimbursement is piece-meal payment process. Each program administered by the NMDOT is subject to its own rules. The disbursement process provided for by this program does not modify the payment process for any other program.

A number of comments raised concerns related to right-of-way ownership or control. To address these concerns, the final rule provides that a governmental entity must possess the project right-of-way either in fee simple or as a perpetual easement. The governmental entity possessing such an interest need not be the applicant but in those circumstances the parties must have an agreement for the use of the right-of-way by the applicant.

A very comprehensive comment was received suggesting numerous substantive changes to the post-project evaluation or audit provisions. After considering the comment, and consistent with the intent of this program, the NMDOT concluded that changes should be made. The intent of this program is to provide a mechanism to distribute state general funds to local governments for use in completing local transportation projects. Projects are to be selected on a competitive basis. Unlike other programs administered by the NMDOT, this program seeks to limit the bureaucratic oversight required by those funding sources. Nevertheless, the NMDOT has a responsibility to the legislature to ensure that the appropriated funds are being used appropriately, responsibly, timely and in accordance with applicable laws and regulations. The primary means for doing so is through the use of program audits. The NMDOT needs the flexibility to conduct whatever audit it deems necessary to make that assessment. Although an audit will likely include recommendations related to its findings, a majority of the audits will be performed after the project has been completed making it difficult for a local government to correct the audit findings. The final rule provides that a local government will have the ability to submit additional documentation prior to an audit becoming final. The final rule also imposes consequences if an audit demonstrates the inability on the part of a local government to properly administer a project. Additional details relating to audits will be contained in the planned future program guide.

Comments were received suggesting the scope of eligible projects be expanded to include all modes of transportation including transit enhancements, safety projects, bike and pedestrian improvements, and others. Legislation enacted during the 2020 legislative session made such a change. Prior to that amendment, those types of projects were not eligible. The final rule has been amended accordingly.



**(6) Reasons for Not Accepting Substantive Arguments from Public Comment:** A number of comments were directed at the role, responsibility and authority of the State Transportation Commission when awarding grant funding. The State Legislature has delegated to the State Transportation Commission the power to determine all matters of policy for the NMDOT. Unless the language in a future appropriations legislation provides otherwise, this delegation gives the State Transportation Commission the authority to determine who receives the funds, in what amount, and whether all the funds appropriated in a specific fiscal year should be awarded in that particular year. Any attempt to limit the policy authority of the State Transportation Commission through an administrative rule is impermissible. As a result, no changes will be made in response to these comments.

Comment was received requesting explicit language that the use of state price agreements or cooperative agreements would be permitted. Unless the location or nature of the project requires otherwise, the local government is responsible for awarding service or construction contracts using its normal procurement process. A local government will need to make its own determination whether it can use a state price agreement or cooperative agreement. The local government need not use a contractor who may be included in any NMDOT approved list of contractors. The local government must make its own determination of contractor qualification or responsibility using standards applicable to its locally funded projects. Likewise, the scope and extent of inspections, quality assurances, material testing, and other construction phase duties are the responsibility of the local government. The NMDOT will not involve itself in these matters.

Several comments addressed the inability of a local government to use non-cash contributions. As noted above, permitting the use of non-cash contributions, or force account labor, would require much greater oversight on the part of the department to verify and quantify the non-cash contributions. Such oversight is contrary to the intent of the program to be one of limited oversight. As a result, the final rule will not provide that force account labor and equipment costs are eligible for reimbursement.

Comments were received requesting that smaller communities not be held to the same level or degree of compliance with applicable state, local and federal regulations. As a condition of receiving grant funds from the NMDOT the local government agrees to comply with all applicable state, local and federal regulations. Whether the legal obligation is imposed by a state statute or regulation, or a federal law or regulation, compliance is required regardless of the size or location of the community. The NMDOT does not have the authority to excuse compliance. Failure to comply with applicable state, local and federal regulations will subject the local government to the consequences contained in the final rule.

Comment received suggesting the fund should advance certain NMDOT goals and objectives. The purpose of the Fund is to provide money to local governments to address their unmet transportation infrastructure needs not to advance any goals and objectives of the NDMOT.

SUMMARY OF PUBLIC COMMENTS	
	General Comments
	<p>Written comment was received suggesting the fund should advance the New Mexico Climate Strategy as well as advancing the New Mexico Department of Transportation's 2040 Long Range, Multi-Modal Transportation Plan.</p> <p>Written comment requested specific language be added to clarify the fund could be used as the local match on federally funded projects.</p> <p>Written comment received that it is difficult to get funding through the RTPD. RTPD claimed not to understand the process. Appears comments relates to recent funding.</p> <p>Written comment that acronym confusing the Local Government Road Fund.</p> <p>Written comment (also presented orally) praising fund.</p> <p>Written comment received relating to the definition of "District Engineer".</p> <p>Oral comment received suggesting that the adoption of the rule should involve discussions with the NMDOT and the RTPDs.</p> <p>Oral inquiry regarding the statement in the Notice of Proposed Rulemaking that project located entirely within local roadway receive the least amount of Departmental oversight. Questioned whether the statement related to project oversight or paperwork oversight.</p> <p>Written comment (also presented orally) that a specified amount be designated for planning and design projects. Concern expressed that smaller entities do not have the financial ability to produce shovel ready projects.</p> <p>Oral comment made requesting that the process for finalizing a project held to a minimum.</p> <p>Oral inquiry at public hearing relating to the existing rule.</p> <p>Oral inquiry at public hearing asking about project ranking process.</p> <p>Oral comments were received suggesting a training program be developed for local governments and that the department make presentations to the governing bodies.</p>

Comments regarding a specific provision	
<b>18.27.6.7 DEFINITIONS:</b>	
“Public authority” is defined as a Federal, State, county, municipality, village, town, Indian tribe, or other local government or instrumentality with authority to finance, build, operate, or maintain a public roadway.	Written comment received that definition may exclude non-fee-owned property from being included in a project proposal.
“Public highway” means every public street, road, highway or thoroughfare of any kind in this state used by the public whether actually dedicated to the public and accepted by proper authority or otherwise.	Written comment received that the definition of “public highway” could allow privately owned facilities to be eligible recipient of funds.
<b>18.27.6.8 GENERAL GUIDELINES</b>	
A. The department may make grants to local governments for local government transportation projects as funds are appropriated in a manner deemed necessary to effectuate the purposes of the fund.	A number of comments were received suggesting the LGTPF give preference to smaller, rural communities. Suggestions included encouraging funding be distributed in a geographical manner, not based on population centers, funding be specifically allocated between rural and non-rural areas, and that the fund be made a rural set-aside program since MPOs and Tribal entities already have a set-aside program, and that the criteria used to rank projects be weighted to benefit rural communities or based on miles of road the local government is required to maintain versus is road maintenance budget.
B. Eligible projects include environmental and other studies, planning, design, construction and acquisition of rights of way necessary for the development of transportation infrastructure, and includes highways, streets, roadways, bridges, crossing structures, parking facilities, including all areas for vehicular use for travel, ingress, egress and parking.	<p>Written comment received to explicitly include multimodal options.</p> <p>Several oral comments received suggesting a portion of the funding be dedicated for planning and design projects. Stated that earmarking a portion of the funds in this matter would benefit the small entities.</p> <p>Inquiry received at public hearing whether a highway could be broken up into segments.</p> <p>Inquiry received at public hearing whether the phrase “environmental and other studies” limits the scope of a proposed project to environmental studies or other studies such as corridor and feasibility studies eligible.</p>

	<p>Inquiry received at public hearing asking whether the fund is geared towards engineering or construction projects.</p> <p>Oral comment made at public hearing encouraging funding different phases of projects.</p> <p>Written and oral comments received suggesting that the scope of eligible projects be expanded to include all modes of transportation including transit enhancements, safety projects, bike and pedestrian improvements, Intelligent Transportation Systems and Transportation Systems Management improvements.</p> <p>MRMPO submitted comment suggesting the fund consider multi-model projects pointing out that the MRMPO follows federal requirements when reviewing transportation project a process not geared towards reviewing and ranking projects located on local roads. MRMPO stated it is its belief that the fund is biased toward local roadway projects, not multi-modal projects.</p>
<p>C. The department will participate up to 95% of the total cost of a local government transportation project provided that the local government has demonstrated an ability to provide the remainder of the project costs in local funds. Non-cash contributions can be used on a project but will not count towards the required local match. The local government is responsible for any and all expenditures in excess of the grant award.</p>	<p>Several comments were received relating to the inability of a local government to use non-cash contributions especially by small entities.</p> <p>Written comment received that the use of the word “participate” in both subparagraph C and D does not reflect the intent of the enabling statute.</p>
<p>E. In-kind contributions associated with preparing, reviewing, and submitting an application and any required supporting documentation prepared by the local government are not eligible for grant funding participation.</p>	<p>Received oral inquiry at public hearing whether consultant costs incurred in preparing an application are eligible expenses.</p>
<p>F. The department will not perform any detailed technical reviews of project scope, cost budget, project schedule or any other required documentation.</p>	<p>Written comment received regarding the kind of review to be performed by the department. Same comment asked whether the proposals will be evaluated on the basis of federally requirement performance measures.</p>



	<p>Written comment received asking whether the standard would apply to prior LGRF funded or federally funded projects.</p> <p>Written comment received stating that this provision conflicts with another provision relating to the department ability to request information from the local government.</p> <p>Written comment received that a project made need to be phased since some project may not be able to be completed within the 30-month time period. (e.g., planning, design, ROW acquisition, bidding, construction).</p> <p>An oral comments received suggesting the time period be extended to 48 months due to the inability of obtain the necessary due in part to the need to obtain additional funding to complete a project.</p>
<p>H. All grant awarded funds must be spent no later than thirty (30) months from the effective date of the Grant Agreement.</p>	
<p>I. All grants are subject to department audit. The findings of the audit are final.</p>	<p>Written comment received whether the audits will be based on the Local Government Handbook Procedures and a possible conflict with part F.</p> <p>Written comment received inquiring whether the local government would be given a chance to correct the audit findings.</p> <p>Written comment received that the language is too broad and fails to provide any specifics.</p> <p>Written comment received asking whether funding is disbursed or reimbursable that would require local government to upfront the costs.</p>
<p>J. Grants awarded to a local government will be provided for a specific project. Unexpended funds cannot be used for any other purpose or project. Unexpended grant awards will be returned to the department after project completion.</p>	
<p><b>18.27.6.9 CALL FOR PROJECTS:</b></p>	
<p>A. The department will invite local governments to submit applications for grants from the fund for local transportation infrastructure projects by a call for projects letter. Any specific criteria applicable to the funding cycle will be</p>	<p>Oral inquiry received whether a program guideline will be developed to assist a RTPO in the determination whether a proposed project qualifies for funding. Oral comment</p>

specified in the letter. Applications for program funds shall conform to the application instructions described in the call for projects. Any procedures, requirements, conditions, restrictions, and limitations applicable to the funding cycle other than those contained in this rule will be specified in the letter.	made suggesting the department develop program guidelines to assist the RTPOs and COGs.  Inquiry received at public hearing asking whether the forms currently used by the RTPOs will be required.  MRCOG suggested the department develop an application which contains defined criteria for use in reviewing the applications.
B. Completed applications must be submitted to the appropriate MPO or RTPO based on a project's physical location on or before the date specified in the letter. Failure to timely submit the required documentation as required in the call for projects will result in the local government being ineligible for funding in the funding cycle.	Written comment received supporting requirement.  Oral comment received criticizing the short time frame for submitting and ranking applications.  Oral and written comments received recommending that project applications be submitted to the appropriate NMDOT district or the NMDOT planning bureau. It was strongly recommended that MPO only review projects on the federal aid system. It was pointed out that MPOs do not have programming authority over the LGTFP and does not have data on local roads, which the MPO believes the fund is directed towards.
<b>18.27.6.10 FINANCIAL HARDSHIP:</b>	
A. Local governments eligible for participation in the program may request a waiver of their matching share in whole or in part due to financial hardship. Waiver requests with supporting documentation shall be submitted to the department's division or bureau designated in the call for projects.	Numerous oral comments were submitted requesting that tribes be eligible for the waiver.
B. Waiver of matching funds will not be considered if a local government has an unexpended grant award for an unfinished local government transportation project.	Comment received whether this provision would apply if the local government have grant projects that are "on time, on budget, and in good standing."  Written comment received that use of the phrase "matching share" is a mischaracterization.

<p><b>18.27.6.11 APPLICATION PROCEDURES, REVIEW AND EVALUATION PROCESS:</b></p>	<p>Oral comment received inquiring about an appeal process if the STC decides not to award a local entity the grant.</p>
<p>A. Any local government interested in applying for a grant award must submit a completed application packet to their MPO or RTPPO. A complete application packet must be submitted to the appropriate MPO or RTPPO before the application deadline specified in the call for projects.</p>	<p>Suggestion that application be sent to NMDOT, not the RTPPO.</p> <p>Written comment made that deadline may not provide sufficient time to obtain approval of the governing body.</p> <p>Oral comments received requesting the application process be extended upwards to 120 days. Suggested the process be streamlined to avoid the necessity of going before the governing board numerous times.</p>
<p>B. Application packages submitted to the MPO/RTPPO will be reviewed and ranked by the MPO/RTPPO using the criteria developed by the MPO/RTPPO.</p>	<p>Written comment received supporting vetting by MPO/RTPPO. Encouraged the submittal of “shovel ready” projects.</p> <p>Written and oral comments criticizing the use of the respective MPO/RTPPO’s criteria. Pointed out the technical evaluation is objective while the policy review is subjective. Questioned whether other MPO/RTPPOs follow same process.</p> <p>Oral comment made at public hearing requesting that the application review meetings be open to the public.</p> <p>Same written and oral comments criticized process as to bureaucratic. Suggested using the LGRF process since done by state employees not representatives of local government who have a vested income in the outcome.</p> <p>Same written and oral comments pointed out that the technical evaluation criteria used by the RTPPO in D4 favors shovel ready projects over maintenance or preservation projects. Stated this particular RTPPO has modified its evaluation process to make more fair.</p>

	<p>Same written and oral comments suggested that a uniform evaluation process be developed and used by the MPO/RTPOs.</p> <p>Another comment received pointed out that the selection process utilized by a RTPO in prioritizing projects is designed for use in prioritizing federally-funded projects. The LGTPF should use a different process.</p> <p>Written comment received suggesting that all MPOs and RTPO use the same criteria and the criteria be contained in the rule. Noted that the MRCOG simply accepted Project Feasibility Forms but did not rank the projects. Commented went on to request that if the MRCOG is involved in the programming/selection process, it be given the authority to make the final decision. Noted the fact that the MPOs and RTPOs all use different criteria. Commenter inquired whether an appeal process will be provided if a local government's project is rejected any level of review.</p> <p>Oral comment made regarding the use of different criteria by the respective RTPOs and inquiry made whether the criteria used by subsequent reviewers will be provided to the RTPOs.</p> <p>Oral and written comment received noting that the MPO Project Prioritization Process is developed to score and rank projects seeking federal aid. The MPO noted that it has no means, staff or capacity to collect local road data. The MPO noted that its prioritization process is ill-suited for use in prioritization local projects. It was suggested that the NMDOT develop its own ranking process.</p>
<p>C. Each MPO/RTPO will submit its ranked list of projects to the district engineer for the district where the project is located no later than thirty (30) days prior to the start of the fiscal year in which funding is available.</p>	<p>Written comment received that this provision conflicts with the NMDOT Planning Procedures Manual which requires correspondence to be sent to the planning liaison. Asked if intended?</p>



<p>F. Final project selection and funding amounts will be determined by the commission no later than September 1<sup>st</sup> of that same fiscal year. The commission's decision will be final. At its discretion, the commission may adjust the projects selected in an effort to program funds in a geographically equitable manner or in any other manner. The commission may, in its sole discretion, reject all applications or award grants totaling less than the funds appropriated for the particular fiscal year. The commission may approve subsequent changes to a priority list as it deems necessary.</p>	<p>Written comment received asking what criteria would be used by the STC to reject all applications or award grants totaling less than the funds appropriated for the particular fiscal year.</p> <p>Written comment received asking under what conditions the STC may approve subsequent changes to a priority list as it deems necessary.</p> <p>Oral comment received criticizing the ability of the STC to reject or adjust the priority list presented to it. Requested a limit be placed on the STC's discretion.</p>
<p>G. After projects are selected, the department will send out award letters and grant agreements to the selected local governments. Applicants whose projects were not selected will be notified as well. Each awarded local government must execute a grant agreement with the department. Once a fully executed grant agreement has been received by the department, the local government may then proceed with authorized project activities. If the local government fails to execute and return the grant agreement within thirty (30) days of receiving the notice of award, the project shall be considered lapsed and may be submitted to the commission for re-programming.</p>	<p>Numerous written and oral comments were received relating to the requirement that the local government must return an executed grant agreement within 30 days of receiving the notice of award. One comments asked about the reprogramming of the funds. Suggestion made to allow a request for extension. Several of these comments were submitted by tribes and pueblos. Concern was expressed regarding ability to pass a resolution within that time period. Concern was also expressed that the NMDOT may not expeditiously process the grant agreement. Question raised how the NMDOT will verify receipt of the grant agreement. Question asked how funds will be reprogrammed.</p>
<p>H. Subject to any terms and conditions contained in the grant agreement, the department shall disburse the grant to the local government after receipt of a request for disbursement submitted by the local government to the department and if applicable a fully executed project agreement. The format of the request for disbursement will be determined by the department.</p>	<p>Written request made to clarify what is meant by disbursement and noted possible conflict with existing agreements.</p> <p>Written comment received asking whether the disbursement is the same as a request for reimbursements required by other agreements.</p> <p>Written comment received that requirements for the request for disbursement should be contained in the rule.</p>
<p><b>18.27.6.12 APPLICATION REQUIREMENTS:</b></p>	<p>Written comment received inquiring whether a .ftp site will be established to allow for large files.</p>

<p>... Applicants must submit the following documents (as a single PDF) as part of the application process:</p>	
<p>A. Completed Application. The format of the application will be determined by the department</p>	<p>Oral comment received questioning whether the department determining the format of the application conflicts the use of the MPO/RTPO's use of its criteria. Suggested that the MPO/RTPO be able to develop the application format.</p> <p>Oral and written comments received from a MPO pointing out that the process it utilizes apply only to the federal-aid system and projects of regional significance. The MPO would not be able to sufficiently score projects based upon the current application requirements. Much more data and information would be needed.</p>
<p>B. Resolution of Sponsorship from their governing body, indicating the availability of the proposed match. Alternatively, the applicant may submit an official letter signed by the applicant's chief executive or official with budget authority, indicating the availability of the match;</p>	<p>Written and oral comments received that obtaining the resolution could take more than 30 days.</p> <p>Written comments received relating to the requirement that the local government submit a resolution indicating the availability of the proposed match.</p> <p>Same written comment proposed the department engage in discussions with interested parties with the objective of agreeing upon wording that meets the needs of both the department and local governments.</p>
<p>D. If applicable, letters of support from the governmental entity or entities that own the project right-of-way (ROW) if the applying applicant does not own all of the project ROW.</p>	<p>Written comment received that obtaining the letter of support may not be feasible within the 30-day period.</p> <p>Written comment received suggesting the language is unclear.</p>
<p><b>18.27.6.13 EVALUATION PROCESS:</b> Each MPO/RTPO will be evaluating and ranking projects based on the transportation needs of the local government and the specific merits of the individual projects using evaluation criteria developed by the MPO/RTPO.</p>	<p>Oral and written comments received from a MPO stating that it has no means to rank and evaluate projects that are considered local and not regionally significant.</p>

<p><b>18.27.6.14 AGREEMENT CONDITIONS, REQUIREMENTS AND PROCEDURES:</b></p> <p>C. The department shall have the right to monitor the activities of local government as necessary to ensure grant awards are used for authorized purposes in compliance with laws, regulations and the provision of contracts or grant agreements and performance goals are achieved.</p>	<p>Written comment received that this provision conflicts with section 18.27.6.9(F) that the department will not perform any detailed reviews.</p> <p>Written comment received that this provision conflicts with other provision related to projects located entirely on local roads. Requested that the department expressly state that no NMDOT or FHWA issued certifications will be required if no federal funds involved.</p>
<p><b>18.27.6.15 DESIGN/BIDDING/CONSTRUCTION:</b></p> <p>B. A local government project that is located in full or in part within a department right-of-way or NHS route, or when the project ties into or crosses a department right-of-way or an NHS route, or when the project may have an effect on existing improvements within department rights-of-way, requires the approval of the department as evidenced by either a letter of approval or letter of authorization from the district engineer for the district where the project is located. The local government shall contact the appropriate district engineer to determine if either is needed for the project. The district engineer will conduct a review of the project and determine whether the project requires a letter of approval or a letter of authorization from the department. If the district engineer determines the project does not require a letter of authorization, the district engineer, or designee, will submit a letter of approval to the local government. If the district engineer determines the project requires a letter of authorization, the local government must enter into a project agreement with the department before any grant funding will be distributed. The local government shall cause the project to be constructed in compliance with any and all department designated standards, conditions and criteria as specified in the project agreement.</p>	<p>Written comment received requesting the rule require the DE to consult with NMDOT Environmental Bureau prior to authorizing a request to locate a project in a department right-of-way or an NHS route.</p> <p>Comment was received that specific language be added to clarify that the fund can be utilized for the local government's match on federally funded projects.</p>
<p>C. For local transportation projects funded entirely by the fund, or in combination with local funds, and no Federal-aid funds are involved, the following apply:</p>	<p>Comment received at public hearing suggesting use of the LGRF handbook in lieu of the proposed rule.</p>

<p>D. All design activities necessary to advance the project to construction will be the responsibility of the local government.</p>	<p>Written comments received that this provision conflicts with 18.27.6.8.B, which provides design projects are eligible for funding.</p>
<p>E. It will be the local government's responsibility to ensure compliance with any and all state, local and federal regulations including the Americans with Disabilities Act (ADA) and laws regarding noise ordinances, air quality, surface water quality, ground water quality, threatened and endangered species, hazardous materials, historic and cultural properties, and cultural resources. The department will not be involved in permit preparation, review, or coordination with the regulatory agencies.</p>	<p>Written comments received to require NMDOT Environmental Bureau oversight of local projects and to require certifications for cultural or biological resources.</p> <p>Written comment received seeking verification that no certifications will be required and asking who determines the necessary level of environmental study.</p> <p>Oral comment received requesting smaller communities not be held to the same level or degree of compliance with applicable state, local and federal regulations.</p>
<p>G. In accordance with Section 67-3-62 NMSA 1978, any transportation infrastructure projects for constructing highways along new alignments or for purposes of substantially widening highways along the existing alignments must consider provisions for pedestrian, bicycle, and equestrian facilities concurrent with the design of the project.</p>	<p>Oral comments received questioning the need for local governments to abide by this requirement.</p>
<p>H. Pursuant to Section 61-23-26 NMSA 1978, all local government transportation infrastructure projects involving engineering requires the engineering to be under the responsible charge of a licensed professional engineer.</p>	<p>Oral comment received suggesting adding "New Mexico" in front of "licensed professional engineer".</p>
<p>I. The local government will be responsible for advertising the project for construction bids and for receiving and publicly opening bids received for the project. The department will have no involvement in the bidding process.</p>	<p>Written comment received requesting explicit language that use of General Services (price agreements?) or CES (Cooperative Educational Services) is permitted.</p> <p>Inquiry received requesting clarification whether the local government has to use the department's approved list of contractors.</p>
<p>L. Department personnel will not conduct periodic assurance inspections or comparison material testing. The department, at its discretion, may perform a final inspection upon project completion.</p>	<p>Inquiry received whether clause means the NMDOT will not require nor conduct any quality control testing.</p>
<p><b>18.27.6.16 PROJECT EVALUATION:</b></p>	



<p>B. The following criteria shall be used to determine whether a local government cannot properly administer a project:</p> <p>(1) The local government has a history of unsatisfactory project implementation and completion;</p> <p>(2) The local government fails to keep all books, make all reports, and conform to all rules and regulations adopted by the Local Government Division, Financial Management Bureau of the New Mexico Department of Finance and Administration;</p>	<p>Written comment received that this particular clause is subjective and one-sided. Requested a substantial rewrite and additional provisions.</p> <p>Written comment made regarding conflict with DFA's requirements for capital outlay projects and the NMDOT's requirements for grant agreements.</p>
<p><b>18.27.6.17 PROJECT DOCUMENTATION:</b></p> <p>A. The local government shall maintain a complete set of project files for a period of not less than five (5) years following the completion of the project. The project files shall contain all documents that are specified as required by the grant agreement.</p>	<p>Written comment received whether the grant agreement will specify the document retention period.</p>
<p><b>18.27.6.18 PROJECT MONITORING AND CLOSE OUT:</b></p> <p>A. The department reserves the right to request the local government to submit progress reports at any time. Reports are due within 30 days of such a request.</p>	<p>Written comment received that this provision conflicts with 18.27.6.8.</p>
<p>B. Within 60 days after the date of completion of the project, the local government must submit a written certification that it has complied with the requirements of this rule and the grant agreement.</p>	<p>Written comment received requesting the time period be extended to 90 days.</p>
<p>C. The department reserves the right to request the local government to submit additional documentation to demonstrate completion of the terms and conditions required by the grant program. It is the responsibility of the local government to comply in full with all such requests and to submit the requested documentation in a timely manner.</p>	<p>Written comment received that this requirement to expansive. Suggested limiting document to show compliance with the grant agreement.</p>

# Tab 12b

Proposed reinstatement of and  
amendments to State  
Transportation Commission  
Policy No. 83, Priority  
Determination for Highway  
Improvements (CP83),  
including title change to  
"Priority Determination for  
Transportation Projects"

# Commission Brief

**SUBJECT:** Proposed reinstatement of and amendments to State Transportation Commission Policy No. 83, *Priority Determination for Highway Improvements* (CP 83), including title change to “*Priority Determination for Transportation Projects*”.

**PRESENTER:** Tamara Haas, Capital Programs and Investments Division Director

## BACKGROUND:

In its existing form, CP 83 requires NMDOT’s Statewide Transportation Improvement Plan (STIP) and other roadway treatment projects to be developed in accordance with the specific procedural provisions set forth in the Policy.

From time-to-time, policy at the federal level changes or evolves. A change or evolution of federal policy frequently can necessitate a state agency which receives a significant portion of its funding from the federal government to re-evaluate and change its own policies.

The current version of CP 83 was developed in response to the adoption of the Transportation Equity Act for the 21st Century in 1998 (TEA-21). With the enactment of the "Moving Ahead for Progress in the 21st Century Act" (MAP-21) in 2012, the Federal Highway Administration’s (FHWA) policy and corresponding funding decisions saw a transformation to a performance-based system. This transformation required NMDOT to re-evaluate its existing project prioritization policy. As a result of that re-evaluation, the subject matter experts have recommended a substantial change to CP 83 to reflect the need to prioritize projects in a manner consistent with current FHWA policy, that is projects should be prioritized using a performance-driven and outcome based system.

Consistent with this proposed change, the title of CP 83 would be changed to “*Priority Determination for Transportation Projects*”.

**ACTION:** The Commission is requested to take action to approve the proposed reinstatement of and amendments to CP 83, including the title change to “*Priority Determination for Transportation Projects*”.

March 25, 2021

## NEW MEXICO STATE TRANSPORTATION COMMISSION



**CP 83**  
**00/00/00**

### **Priority Determination For Transportation Projects**

**Reference:** Moving Ahead for Progress in the 21st Century (MAP) Act (P.L. 112-141) of 2012; Fixing America's Surface Transportation (FAST) Act, (Pub. L. No. 114-94) of 2015; 23 CFR Part 450.

This Commission Policy supersedes Commission Policy No. 83 dated October 17, 2002.

**Cross Reference:** Commission Policy No. 93, Transportation Asset Management

**Purpose:** To comply with the transportation Performance Based Planning and Program ("PBPP") requirements required by the Federal Highway Administration's planning rule and the performance measure rules. Transportation performance management ("TPM") is a strategic approach that uses system information to make investment and policy decisions to achieve national performance goals. The application of the TPM approach ensures that investments are performance-driven and outcome based. NMDOT must develop and document management plans that include investment strategies, objectives, performance measures, and targets that contribute to the achievement of the identified performance targets.

**Policy:** It shall be the policy of the New Mexico State Transportation Commission that NMDOT develop transportation performance management plans to meet the PBPP requirements of the TPM regulations.

The Secretary of Transportation shall formulate suitable directives and procedures for the implementation of this Policy.

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## NEW MEXICO STATE HIGHWAY COMMISSION



**CP 83**  
**10/17/02**

### PRIORITY DETERMINATION FOR HIGHWAY IMPROVEMENTS

\_\_\_\_\_  
Chairperson

\_\_\_\_\_  
Vice-Chairperson

\_\_\_\_\_  
Secretary

\_\_\_\_\_  
Member

\_\_\_\_\_  
Member

\_\_\_\_\_  
Member

**Reference:** Transportation Efficiency Act for the 21<sup>st</sup> Century

This Commission Policy supersedes Commission Policy No. 83 dated December 2, 1999.

It is the policy of the New Mexico State Highway Commission that the Department's Statewide Transportation Improvement Plan and other roadway treatment projects be developed in accordance with this Policy.

- A. Project prioritization shall be based on priority ratings built into the Management Systems of the Department.
  - 1. The Pavement Management System and the Performance and Planning Matrix shall cover state highways, as well as, Federal-Aid highways, including rural arterial and major collectors and urban arterial collectors.
    - a. The Department shall develop and implement a Performance and Planning Matrix process and a Pavement Management System. The development and implementation of a Pavement Management System shall be in cooperation with the Metropolitan Planning Organizations (MPOs). The needs identified by the Pavement Management System and the Performance and Planning Matrix process shall be considered in the Metropolitan (23 U.S.C. 134) and statewide (23 U.S.C. 135) planning processes.

- b. The Performance and Planning Matrix process and the Pavement Management System shall collect and maintain the appropriate data elements and facilitate the required analyses mandated by Federal legislation for highways.
  - c. The Performance and Planning Matrix process and the Pavement Management System shall be primary tools in the project prioritization and the pavement design process.
- 2. The Bridge Management System shall cover bridges on and off Federal-Aid highways.
  - a. The Department shall coordinate with other agencies who own or have responsibility for bridges on the public highways in New Mexico.
  - b. The Bridge Management System shall collect and maintain the appropriate data elements and facilitate the required analyses mandated by Federal legislation for highways.
  - c. The Bridge Management System shall be a primary tool used in the prioritization of bridge rehabilitation and replacement projects.
- 3. The Safety Management System shall cover Federal-Aid highways, including rural arterial and major collectors and urban arterial collectors, as well as, other roads within the State where benefits can be achieved in proportion to the road classification and the frequency and severity of accidents.
  - a. The Department shall coordinate with other agencies involved with safety to ensure a comprehensive and integrated management approach to highway safety.
  - b. The Safety Management System shall collect and maintain the appropriate data elements and facilitate the required analyses mandated by Federal legislation for highways.
  - c. The Safety Management System shall be a primary tool used in the identification and selection of safety projects.
- 4. The Congestion Management System shall identify and assess transportation system congestion to lead the development of strategies that provide the most efficient use of existing and future transportation facilities and to enhance the mobility of people and goods.
  - a. The Congestion Management System shall cover the entire State but may consist of sub-systems for each metropolitan and non-metropolitan area.
  - b. The Department shall develop and implement the Congestion Management System in cooperation with the State's MPOs. The needs identified by the Congestion Management System shall be

considered in the metropolitan (23 U.S.C. 134) and statewide (23 U.S.C. 135) planning processes.

- c. The Congestion Management System shall collect and maintain the appropriate data elements and facilitate the required analyses mandated by Federal legislation for highways.
  - d. The Congestion Management System shall be used in the selection and prioritization of projects for adding capacity and provide alternatives for handling congestion.
5. The Traffic Monitoring System (TMS/H) shall cover highways in the following functional classes: on and off state administered systems including rural arterial collectors (interstate, other principal arterials and minor arterials), rural major and urban arterial collectors (interstate, other freeways and expressways, other principal arterial and minor arterial collectors), and urban collectors. The expansion of the State's TMS/H is to include all highway classes regardless of jurisdiction.

The TMS/H shall provide for the collection, reporting and retention of traffic data by local governments and other public or private non-state governmental entities collecting data within the State, if the data collected is to be used for a purpose related to Federal requirements for highways.

- B. The Secretary shall formulate suitable directives and procedures for the implementation of this Policy.
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# Tab 12c

Approval of Resolution  
No. 2021-01 (MAR) -  
Authorizing Bond Resolution



# Commission Brief

**SUBJECT: Authorizing Bond Resolution**

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

**Peter Shellenberger, Managing Director, PFM Financial Advisors LLC Public Financial Management, Inc. & Ken Guckenberger, Bond Counsel for NMDOT, Kutak Rock LLP**

**BACKGROUND: The NMDOT is requesting State Transportation Commission authorization and approval for the New Mexico Finance Authority to issue Transportation Revenue Bonds. The aggregate principal amount will not exceed \$234.6 million. With interest rates near all-time lows, the NMDOT could generate proceeds of \$290 million to move project forward to help improve the economy of New Mexico. The NMDOT will work with New Mexico Finance Authority for the purpose of issuing state transportation revenue bonds.**

**ACTION: Approval of Resolution**



# **New Mexico Department of Transportation**

## **2021 Bonds – New Money Borrowing Analysis**

**March 25, 2021**



## Table of Contents

- I. Purpose of Analysis
- II. Market Update
- III. Borrowing Structure Considerations



# I. Purpose of Analysis





## Purpose of Analysis

- Estimate the amount of bond proceeds generated for projects from a potential \$234.6 million bond issuance
- Evaluate the interest costs for potential bond issuance based on current market conditions
- Evaluate three different structures and final maturity dates and related costs to determine Commission's preferred structure for borrowing

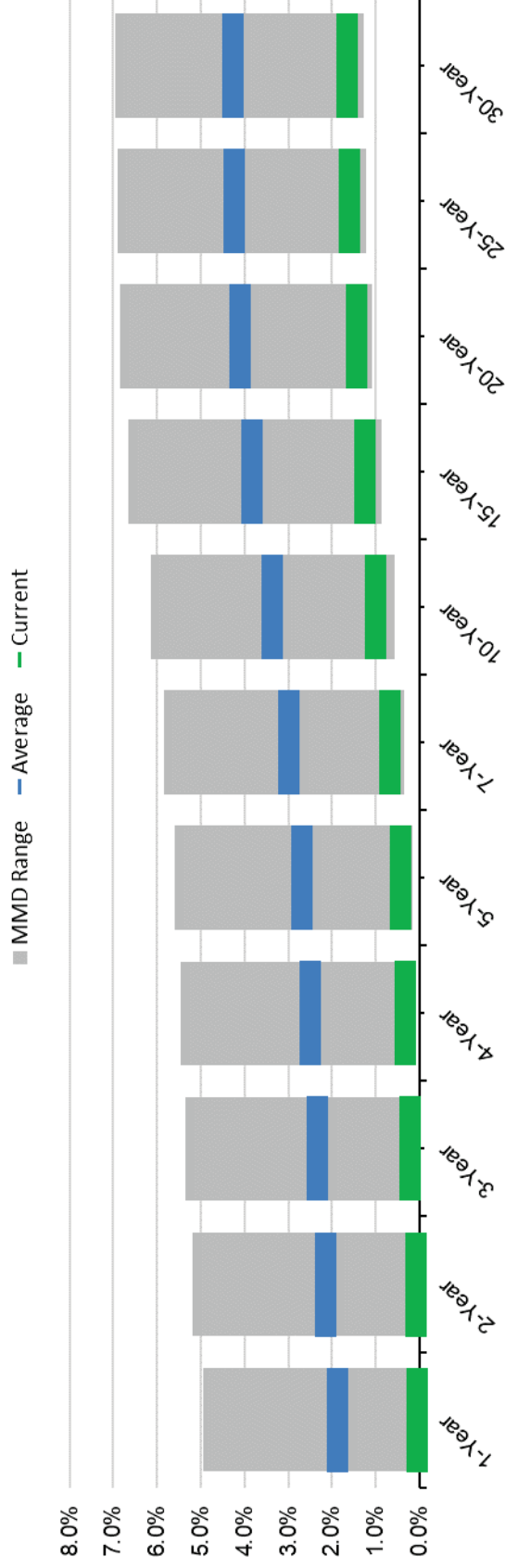


## II. Market Update



## AAA MMD Position Since January 1, 1993

AAA MMD Rate Position  
(January 1, 1993 to March 12, 2021)



Summary of March 15, 2021 vs. Historical (since January 1, 1993) MMD Rates

Statistic	1-Year	2-Year	3-Year	4-Year	5-Year	7-Year	10-Year	15-Year	20-Year	25-Year	30-Year
March 12, 2021	0.06%	0.09%	0.21%	0.32%	0.43%	0.67%	1.02%	1.25%	1.45%	1.60%	1.65%
Historical Average	1.89%	2.15%	2.34%	2.51%	2.68%	3.00%	3.37%	3.82%	4.10%	4.24%	4.28%
Spread to Average	-1.83%	-2.06%	-2.13%	-2.19%	-2.25%	-2.33%	-2.35%	-2.57%	-2.65%	-2.64%	-3.28%
Minimum	.02%	.08%	.08%	.13%	.16%	.36%	.58%	.88%	1.08%	1.22%	1.27%
Maximum	4.95%	5.20%	5.35%	5.45%	5.60%	5.85%	6.15%	6.65%	6.85%	6.90%	6.95%
% of Time Lower	0.00%	0.07%	1.98%	2.36%	2.41%	2.43%	2.66%	2.25%	2.23%	2.11%	2.11%

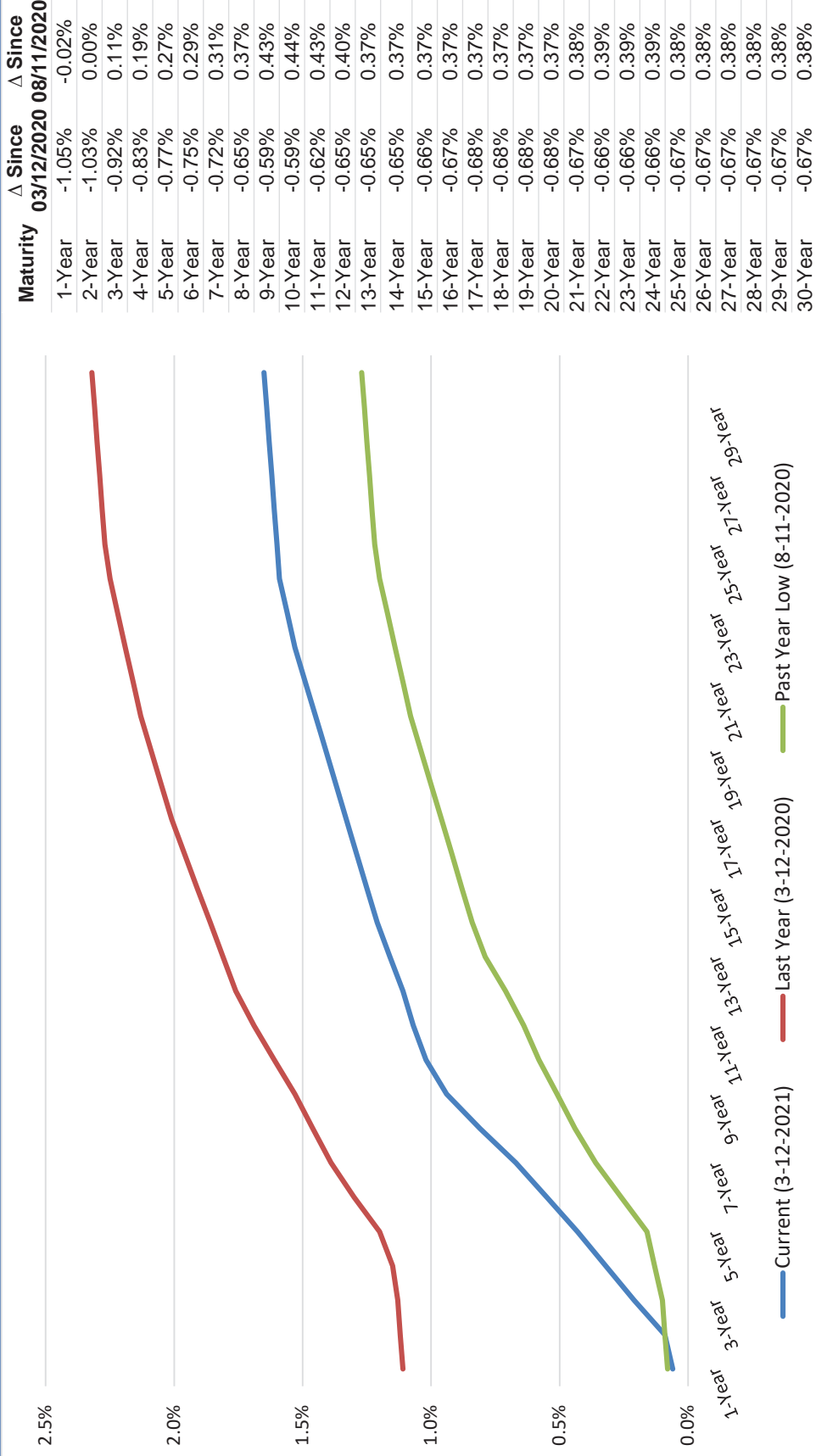
Source: Thomson Reuters

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## Recent AAA MMD Yield Curve Movement

### AAA MMD Yield Curve Movement



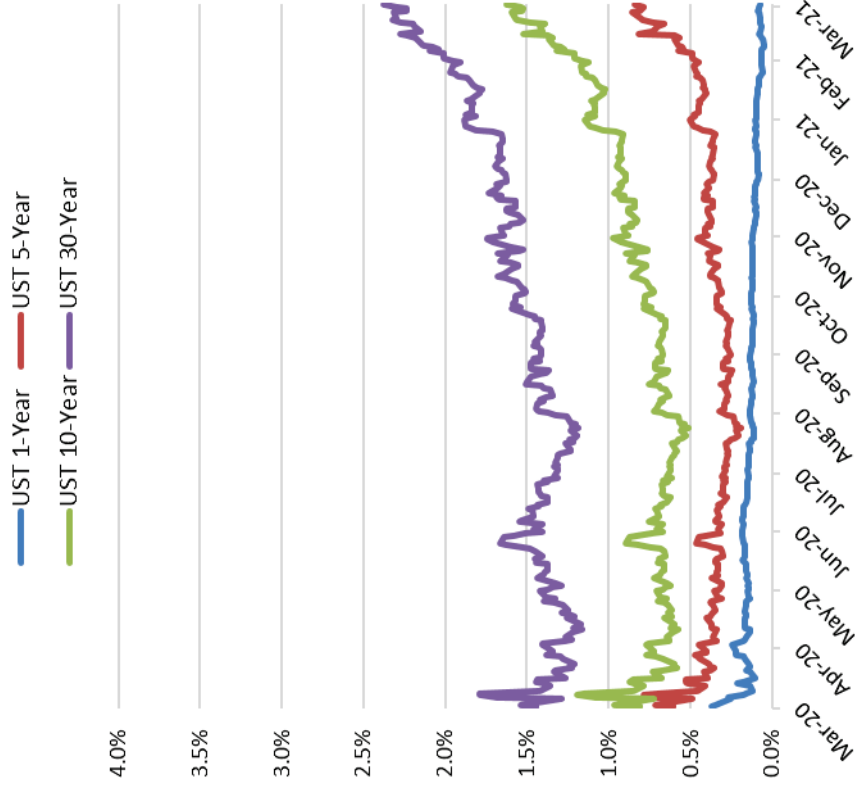
Source: Thomson Reuters

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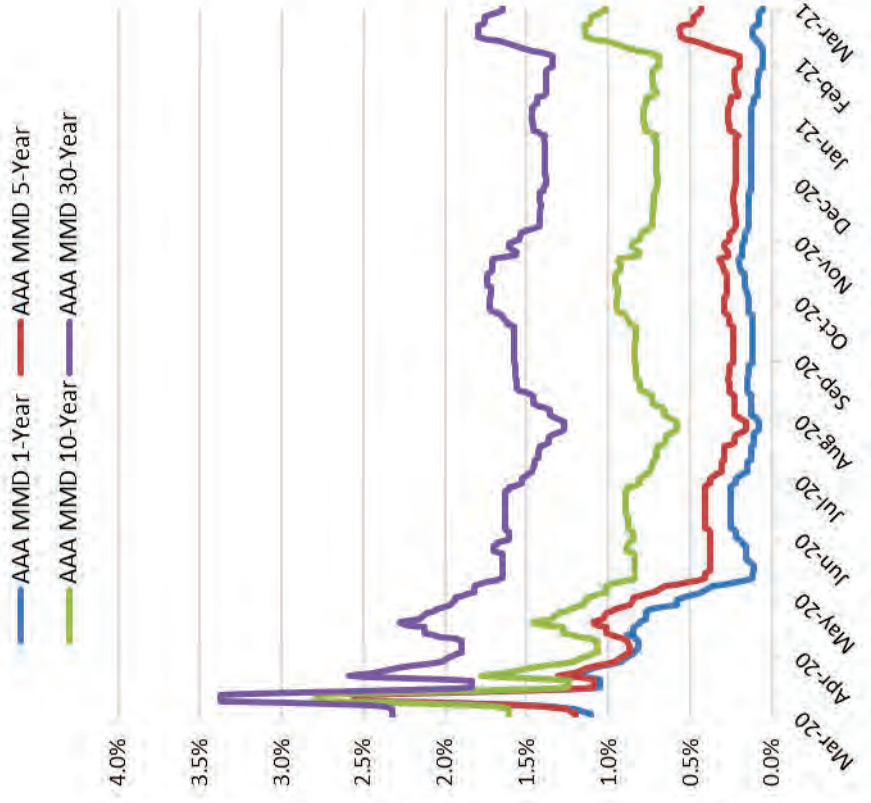


## U.S. Treasury & AAA MMD Rate Movement

U.S. Treasury Rate Movement  
(1-Year History)



AAA MMD Rate Movement  
(1-Year History)



Source: Thomson Reuters

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## SIFMA & 1-Month LIBOR Rate Movement

- Following the late-March spike in rates due to the impacts of COVID-19 and subsequent Fed economic relief programs, the SIFMA Index has stabilized and is currently below the 70% of LIBOR level.



Source: Thomson Reuters

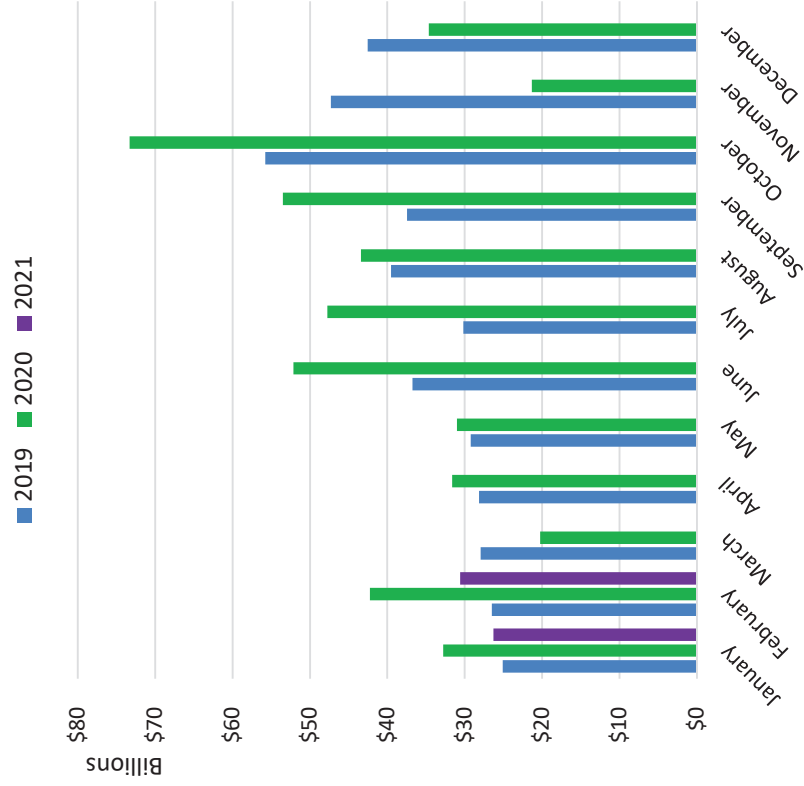
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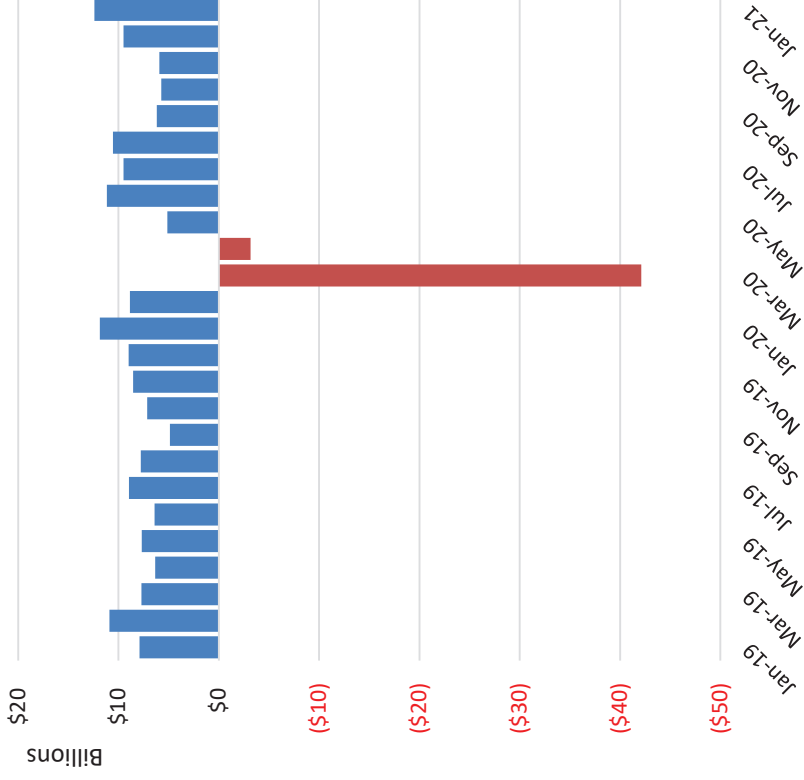
# Municipal Market Supply & Demand

- New issuance volume was down by 20% year-over-year in January.

Overall Municipal Market Volume (Supply)



Municipal Fund Flows (Demand)



Source: Bond Buyer, Investment Company Institute



## III. Borrowing Structure Considerations



## Assumptions: Bond Funding and Structure

- **Bond Funding Assumptions:**
  - FHWA to pay 85.44% of total debt service, and SRF to pay 14.56%
  - Minimal increase to FHWA debt service through 2025
- **Bond Structuring Assumptions:**
  - Par Amount: \$234,600,000
  - Bond Term: 9 years (2030), 11 years (2032), or 16 years (2037) final maturity
  - Structure: Aggregate level debt service
  - Borrowing Rates: MMD (as of 3/15/2021) plus credit spreads (4-19 bps)
  - Coupons: 5% coupons
  - Call Feature: 10-year par call



## NMDOT Outstanding Debt

New Mexico DOT Outstanding Debt					
Series	Original Issue Size	Delivery Date	Final Maturity	Outstanding Par	
<b>Senior Lien Obligations:</b>					
Series 2010B	461,075,000	10/5/10	6/15/21	91,265,000	
Series 2012	220,400,000	12/27/12	6/15/26	159,055,000	
Series 2014B-1	61,380,000	12/23/14	6/15/27	61,380,000	
Series 2020A	63,180,000	10/28/20	6/15/25	63,180,000	
<b>Subtotal</b>	<b>\$ 806,035,000</b>			<b>\$ 374,880,000</b>	
<b>Subordinate Lien Obligations:</b>					
Series 2014A	70,110,000	3/12/14	6/15/32	58,325,000	
Series 2014B-2	18,025,000	12/23/14	6/15/27	13,510,000	
Series 2018A	420,090,000	6/27/2018	6/15/30	418,155,000	
<b>Subtotal</b>	<b>\$ 508,225,000</b>			<b>\$ 489,990,000</b>	
<b>TOTAL</b>	<b>\$ 1,314,260,000</b>			<b>\$ 864,870,000</b>	





## Existing Debt Service

FY Ending	Existing Debt Service by Payment Source				Total
	SRF	FHWA	HIF		
6/30/2021	27,364,097	118,284,578	6,472,250		152,120,925
6/30/2022	39,731,174	115,160,726	3,584,750		158,476,650
6/30/2023	39,998,221	114,602,179	8,759,750		163,360,150
6/30/2024	39,998,016	128,566,634	14,271,000		182,835,650
6/30/2025	39,996,500	26,593,400	8,473,750		75,063,650
6/30/2026	39,996,750	26,177,800	8,574,000		74,748,550
6/30/2027	39,996,000	64,449,000	8,685,000		113,130,000
6/30/2028	39,995,500	-	8,785,250		48,780,750
6/30/2029	39,996,250	-	8,894,250		48,890,500
6/30/2030	25,284,000	-	8,995,500		34,279,500
6/30/2031	-	-	9,103,250		9,103,250
6/30/2032	-	-	7,161,000		7,161,000
Total	372,356,508	593,834,317	101,759,750		1,067,950,575



## Summary of Results

Series 2021 Bonding Scenarios			
Bonding Scenario	Scenario 1	Scenario 2	Scenario 3
Final Maturity	2030	2032	2037
Par Amount	\$234,600,000	\$234,600,000	\$234,600,000
Project Fund	\$301,052,080	\$313,251,691	\$313,237,559
TIC	0.94%	1.25%	2.09%
Total Debt Service	\$320,007,667	\$346,769,917	\$390,935,167
Peak FHWA Debt Service	\$138,588,746	\$138,588,746	\$138,588,746
Minimum Senior Lien Coverage*	6.51x	6.51x	6.51x
Minimum Total Coverage*	4.38x	4.38x	4.38x

\*Using FY2020 Revenues



## Summary – Additional Debt Service by Scenario

Existing Debt Service by Payment Source					Total Additional Debt Service			
FY Ending	SFY	SRF	FHWA	HIF	Total	Scenario 1	Scenario 2	Scenario 3
6/30/2021	SFY21	27,364,097	118,284,578	6,472,250	152,120,925	-	-	-
6/30/2022	SFY22	39,731,174	115,160,726	3,584,750	158,476,650	11,208,667	11,208,667	11,208,667
6/30/2023	SFY23	39,998,221	114,602,179	8,759,750	163,360,150	11,730,000	11,730,000	11,730,000
6/30/2024	SFY24	39,998,016	128,566,634	14,271,000	182,835,650	11,730,000	11,730,000	11,730,000
6/30/2025	SFY25	39,996,500	26,593,400	8,473,750	75,063,650	36,525,000	11,730,000	11,730,000
6/30/2026	SFY26	39,996,750	26,177,800	8,574,000	74,748,550	36,835,250	11,730,000	11,730,000
6/30/2027	SFY27	39,996,000	64,449,000	8,685,000	113,130,000	9,173,000	11,730,000	11,730,000
6/30/2028	SFY28	39,995,500	-	8,785,250	48,780,750	62,803,000	36,245,000	11,730,000
6/30/2029	SFY29	39,996,250	-	8,894,250	48,890,500	62,696,500	36,134,250	11,730,000
6/30/2030	SFY30	25,284,000	-	8,995,500	34,279,500	77,306,250	50,747,750	11,730,000
6/30/2031	SFY31	-	-	9,103,250	9,103,250	-	75,921,500	34,060,000
6/30/2032	SFY32	-	-	7,161,000	7,161,000	-	77,862,750	36,003,500
								43,164,000
								43,163,000
								43,167,500
								43,163,000
								43,165,500
Total		372,356,508	593,834,317	101,759,750	1,067,950,575	320,007,667	346,769,917	390,935,167



## Scenario 1: Series 2021 Debt Service

- Total debt service of \$320.0 million
- While new debt service is minimized in early years, additional debt service in these years cannot be avoided as annual interest of \$11.7 million must be paid on the bonds

Series 2021 Debt Service				Breakdown by Payment Source	
FY Ending	Principal	Interest	Total	SRF	FHWA
6/30/2022		11,208,667	11,208,667	1,631,982	9,576,685
6/30/2023		11,730,000	11,730,000	1,707,888	10,022,112
6/30/2024		11,730,000	11,730,000	1,707,888	10,022,112
6/30/2025	24,795,000	11,730,000	36,525,000	5,318,040	31,206,960
6/30/2026	26,345,000	10,490,250	36,835,250	5,363,212	31,472,038
6/30/2027		9,173,000	9,173,000	1,335,589	7,837,411
6/30/2028	53,630,000	9,173,000	62,803,000	9,144,117	53,658,883
6/30/2029	56,205,000	6,491,500	62,696,500	9,128,610	53,567,890
6/30/2030	73,625,000	3,681,250	77,306,250	11,255,790	66,050,460
Total	234,600,000	85,407,667	320,007,667	46,593,116	273,414,551



## Scenario 1: New Aggregate Debt Service

- Maximum aggregate debt service is in FY2024, with \$138.6 million payable by the FHWA

FY Ending	New Aggregate Debt Service				Total
	SRF	FHWA	HIF		
6/30/2021	27,364,097	118,284,578	6,472,250		152,120,925
6/30/2022	41,363,156	124,737,411	3,584,750		169,685,317
6/30/2023	41,706,109	124,624,291	8,759,750		175,090,150
6/30/2024	41,705,904	138,588,746	14,271,000		194,565,650
6/30/2025	45,314,540	57,800,360	8,473,750		111,588,650
6/30/2026	45,359,962	57,649,838	8,574,000		111,583,800
6/30/2027	41,331,589	72,286,411	8,685,000		122,303,000
6/30/2028	49,139,617	53,658,883	8,785,250		111,583,750
6/30/2029	49,124,860	53,567,890	8,894,250		111,587,000
6/30/2030	36,539,790	66,050,460	8,995,500		111,585,750
6/30/2031	-	-	9,103,250		9,103,250
6/30/2032	-	-	7,161,000		7,161,000
Total	418,949,624	867,248,868	101,759,750		1,387,958,242





## Scenario 2: Series 2021 Debt Service

- Total debt service of \$346.8 million
- The longer term of Scenario 2 allows debt service to be stretched to 2032, but annual interest payments of \$11.7 million remain until principal begins to be paid off

Series 2021 Debt Service				
FY Ending	Principal	Interest	Total	
6/30/2022		11,208,667	11,208,667	
6/30/2023		11,730,000	11,730,000	
6/30/2024		11,730,000	11,730,000	
6/30/2025		11,730,000	11,730,000	
6/30/2026		11,730,000	11,730,000	
6/30/2027		11,730,000	11,730,000	
6/30/2028	24,515,000	11,730,000	36,245,000	
6/30/2029	25,630,000	10,504,250	36,134,250	
6/30/2030	41,525,000	9,222,750	50,747,750	
6/30/2031	68,775,000	7,146,500	75,921,500	
6/30/2032	74,155,000	3,707,750	77,862,750	
Total	234,600,000	112,169,917	346,769,917	

Breakdown by Payment Source	
SRF	FHWA
1,631,982	9,576,685
1,707,888	10,022,112
1,707,888	10,022,112
1,707,888	10,022,112
1,707,888	10,022,112
1,707,888	10,022,112
1,707,888	10,022,112
5,277,272	30,967,728
5,261,147	30,873,103
7,388,872	43,358,878
11,054,170	64,867,330
11,336,816	66,525,934
50,489,700	296,280,217



## Scenario 2: New Aggregate Debt Service

- Maximum aggregate debt service is in FY2024, with \$138.6 million payable by the FHWA

FY Ending	New Aggregate Debt Service			
	SRF	FHWA	HIF	Total
6/30/2021	27,364,097	118,284,578	6,472,250	152,120,925
6/30/2022	41,363,156	124,737,411	3,584,750	169,685,317
6/30/2023	41,706,109	124,624,291	8,759,750	175,090,150
6/30/2024	41,705,904	138,588,746	14,271,000	194,565,650
6/30/2025	41,704,388	36,615,512	8,473,750	86,793,650
6/30/2026	41,704,638	36,199,912	8,574,000	86,478,550
6/30/2027	41,703,888	74,471,112	8,685,000	124,860,000
6/30/2028	45,272,772	30,967,728	8,785,250	85,025,750
6/30/2029	45,257,397	30,873,103	8,894,250	85,024,750
6/30/2030	32,672,872	43,358,878	8,995,500	85,027,250
6/30/2031	11,054,170	64,867,330	9,103,250	85,024,750
6/30/2032	11,336,816	66,525,934	7,161,000	85,023,750
Total	422,846,207	890,114,534	101,759,750	1,414,720,492



## Scenario 3: Series 2021 Debt Service

- Total debt service of \$390.9 million
- The longer term of Scenario 3 allows for lower and more level debt service payments throughout the life of the bond, but increases overall interest costs

Series 2021 Debt Service				Breakdown by Payment Source	
FY Ending	Principal	Interest	Total	SRF	FHWA
6/30/2022		11,208,667	11,208,667	1,631,982	9,576,685
6/30/2023		11,730,000	11,730,000	1,707,888	10,022,112
6/30/2024		11,730,000	11,730,000	1,707,888	10,022,112
6/30/2025		11,730,000	11,730,000	1,707,888	10,022,112
6/30/2026		11,730,000	11,730,000	1,707,888	10,022,112
6/30/2027		11,730,000	11,730,000	1,707,888	10,022,112
6/30/2028		11,730,000	11,730,000	1,707,888	10,022,112
6/30/2029		11,730,000	11,730,000	1,707,888	10,022,112
6/30/2030		11,730,000	11,730,000	1,707,888	10,022,112
6/30/2031	22,330,000	11,730,000	34,060,000	4,959,136	29,100,864
6/30/2032	25,390,000	10,613,500	36,003,500	5,242,110	30,761,390
6/30/2033	33,820,000	9,344,000	43,164,000	6,284,678	36,879,322
6/30/2034	35,510,000	7,653,000	43,163,000	6,284,533	36,878,467
6/30/2035	37,290,000	5,877,500	43,167,500	6,285,188	36,882,312
6/30/2036	39,150,000	4,013,000	43,163,000	6,284,533	36,878,467
6/30/2037	41,110,000	2,055,500	43,165,500	6,284,897	36,880,603
Total	234,600,000	156,335,167	390,935,167	56,920,160	334,015,006



## Scenario 3: New Aggregate Debt Service

- Maximum debt service is in FY2024, with \$138.6 million payable by the FHWA
- Debt service in the years following FY2024 is lower and more level than in previous scenarios, at the cost of additional overall interest

FY Ending	New Aggregate Debt Service				Total
	SRF	FHWA	HIF		
6/30/2021	27,364,097	118,284,578	6,472,250		152,120,925
6/30/2022	41,363,156	124,737,411	3,584,750		169,685,317
6/30/2023	41,706,109	124,624,291	8,759,750		175,090,150
6/30/2024	41,705,904	138,588,746	14,271,000		194,565,650
6/30/2025	41,704,388	36,615,512	8,473,750		86,793,650
6/30/2026	41,704,638	36,199,912	8,574,000		86,478,550
6/30/2027	41,703,888	74,471,112	8,685,000		124,860,000
6/30/2028	41,703,388	10,022,112	8,785,250		60,510,750
6/30/2029	41,704,138	10,022,112	8,894,250		60,620,500
6/30/2030	26,991,888	10,022,112	8,995,500		46,009,500
6/30/2031	4,959,136	29,100,864	9,103,250		43,163,250
6/30/2032	5,242,110	30,761,390	7,161,000		43,164,500
6/30/2033	6,284,678	36,879,322	-		43,164,000
6/30/2034	6,284,533	36,878,467	-		43,163,000
6/30/2035	6,285,188	36,882,312	-		43,167,500
6/30/2036	6,284,533	36,878,467	-		43,163,000
6/30/2037	6,284,897	36,880,603	-		43,165,500
Total	429,276,668	927,849,324	101,759,750		1,458,885,742

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**STATE OF NEW MEXICO  
STATE TRANSPORTATION COMMISSION  
RESOLUTION NO. 2021-01 (MAR)**

A RESOLUTION AUTHORIZING AND APPROVING THE ISSUANCE BY THE NEW MEXICO FINANCE AUTHORITY OF ONE OR MORE SERIES OF STATE TRANSPORTATION REVENUE BONDS FOR THE PURPOSE OF FINANCING CERTAIN TRANSPORTATION PROJECTS AT THE DIRECTION OF THE STATE TRANSPORTATION COMMISSION, SUBJECT TO SATISFYING SPECIFIED PARAMETERS; AUTHORIZING THE NEW MEXICO FINANCE AUTHORITY, IN CONSULTATION WITH THE CHAIRMAN OF THE COMMISSION AND THE SECRETARY OF THE DEPARTMENT OF TRANSPORTATION, TO APPROVE THE FINAL TERMS OF ANY STATE TRANSPORTATION REVENUE BONDS ISSUED PURSUANT TO THIS RESOLUTION; AUTHORIZING THE NEW MEXICO FINANCE AUTHORITY, IN CONSULTATION WITH THE CHAIRMAN OF THE COMMISSION AND THE SECRETARY OF THE DEPARTMENT OF TRANSPORTATION, TO EXECUTE ALL AGREEMENTS AND CLOSING CERTIFICATES NECESSARY IN CONNECTION WITH SUCH BONDS; AUTHORIZING THE TAKING OF ALL OTHER ACTIONS NECESSARY TO THE CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED BY THIS RESOLUTION; RATIFYING PRIOR ACTIONS CONSISTENT WITH THIS RESOLUTION AND REPEALING PRIOR INCONSISTENT ACTIONS.

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

WHEREAS, the Legislature of the State at its 1992 regular session adopted Chapter 61, Laws of New Mexico, 1992, known and cited as the New Mexico Finance Authority Act, being Section 6-21-1 through 6-21-31, NMSA 1978, as amended (the “NMFA Act”); and

WHEREAS, there was created by the NMFA Act a public body politic and corporate, separate and apart from the State, constituting a governmental instrumentality known and identified as the New Mexico Finance Authority (the “NMFA”); and

WHEREAS, pursuant to the provisions of Chapter 3, Laws 2003, adopted during the First Special Session of the Legislature in 2003, codified in Sections 67-3-59.1, .2, .3 and .4, NMSA 1978, as amended, and as specifically amended by Laws 2020 (1st S.S.), Chapter 3, Section 8 and Section 5 of Senate Bill 121 of the 2021 General Session (collectively, the “NMDOT Major Investment Program Financing Legislation”), the Commission is authorized to direct the issuance of state transportation revenue bonds (the “State Transportation Revenue Bonds”) by the NMFA from time to time, payable from Federal Revenues (as defined in the Master Indenture referred to



below) and State Revenues (also as defined in the Master Indenture referred to below) (collectively, the “Pledged Revenues”), in order to provide funds to finance certain transportation projects authorized by the Legislature of the State (the “NMDOT Major Investment Transportation Projects”); and

WHEREAS, the Department and the New Mexico Division of the Federal Highway Administration (“FHWA”) have entered into a Memorandum of Understanding dated June 22, 2010 (as may be amended and supplemented from time to time, the “2010 FHWA MOU”) providing for the process by which the Secretary of the Department will apply for and receive reimbursement from federal funds by FHWA for debt service and other eligible costs relating to the Major Investment Transportation Projects; and

WHEREAS, pursuant to the Major Investment Program Financing Legislation, codified in Section 67-3-59.4, NMSA 1978, as amended and Laws 2020 (1<sup>st</sup> S.S.), Chapter 3, Section 8, the Commission is directing and authorizing the NMFA to issue State Transportation Revenue Bonds in an aggregate principal amount not to exceed \$234,600,000 on or before December 15, 2021 (the “2021 Bonds”) to finance new transportation projects subject to the provisions of the 2010 FHWA MOU that are not waived and certain parameters set out below; and

WHEREAS, the Commission anticipates that the 2021 Bonds will be issued as fixed rate bonds; and

WHEREAS, the Commission desires to authorize the Chair of the NMFA, in consultation with the Chairman of the Commission, to approve the final terms of the 2021 Bonds consistent with the parameters set forth in this Resolution; and

WHEREAS, the Commission desires to authorize the Chair of the NMFA, in consultation with the Chairman of the Commission and the Secretary of the Department, to make certain representations and to enter into certain agreements on behalf of, respectively, the Commission and the Department in connection with the 2021 Bonds and to execute certain agreements and certificates necessary, appropriate or convenient in connection with the issuance, sale and delivery of the 2021 Bonds.

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

### **Section 1. Determinations as to 2021 Bonds.**

The Commission hereby determines that the 2021 Bonds should be issued if the issuance meets the parameters set forth in Section 2 below. The Commission further determines that issuance of the 2021 Bonds is necessary to protect the public health, conserve the property of, and protect the general welfare and prosperity of the citizens of the State. Subject to satisfaction of the parameters set forth in Section 2 below, the NMFA is hereby directed to pursue a transaction to issue one or more series of 2021 Bonds on or before December 15, 2021 with an aggregate maximum size of all series not to exceed \$234,600,000, pursuant to the Master Indenture and one or more Series Indentures, to be secured by and payable from the Pledged Revenues (as defined in the

Master Indenture), and subject to any restrictions contained in the 2010 FHWA MOU that are not waived.

## **Section 2. Authorization and Parameters of 2021 Bonds.**

(a) For the purpose of protecting the public health, conserving the property, protecting the general welfare and prosperity of the citizens of the State, it is declared necessary that the NMFA issue the 2021 Bonds pursuant to the Master Indenture and one or more Series Indentures in one or more series with an aggregate maximum size of all series not to exceed \$234,600,000. Each series of the 2021 Bonds shall mature on the dates (no later than June 15, 2041) and in the amounts, bear interest at the rate or rates (not to exceed 6% per annum), and may be subject to optional and mandatory sinking fund redemption prior to their maturities on the dates and at the prices set forth in one or more Authorizing and Delegating Resolutions adopted by the NMFA on or prior to the sale date of the related series of the 2021 Bonds. The NMFA Authorizing and Delegating Resolution or Resolutions shall provide for the creation of funds and accounts (including any reserve fund deemed advisable by the NMFA), and for protective covenants and additional terms and conditions deemed advisable by the NMFA in connection with the marketing of the 2021 Bonds. The 2021 Bonds may be issued as Senior Lien Obligations or Subordinate Lien Obligations under the Master Indenture, as determined by the NMFA.

(b) Subject to these parameters, the NMFA, in consultation with the Department, shall determine the amounts and maturities of the 2021 Bonds.

## **Section 3. Continuing Assistance in Implementation of State Transportation Revenue Bonds.**

The Department is hereby directed to provide assistance to the Financial Advisor (as defined in the Series Indenture providing for the issuance of any of the 2021 Bonds) and the NMFA in structuring and approving the issuance and sale of the 2021 Bonds, including executing and delivering, without limitation and to the extent applicable, the following agreements and certifications relating to the 2021 Bonds and use of Bond proceeds, which shall be delivered at the closing or delivery of the 2021 Bonds: tax compliance certificates, general and no litigation certificates, certificates concerning the accuracy of information included in the Preliminary Official Statement and the Official Statement for the 2021 Bonds, continuing disclosure agreements, bond purchase agreements, and such other agreements and certificates as the NMFA, the Financial Advisor, the underwriters, bond counsel, underwriters' counsel, disclosure counsel, the Commission's counsel, the Commission's bond counsel or issuer's counsel may request. The officers, employees and agents of the Commission and the Department are authorized and directed to execute and deliver all such documents and certificates and are directed to provide all documents and other information requested by the NMFA or its officers, employees and agents related to the administration and management of the State Transportation Revenue Bonds.

## **Section 4. Ratification of Prior Actions Taken by the Commission and the NMFA; Inconsistent Actions Superseded.**

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

**Section 5. Effective Date.** The provisions of this Resolution shall become effective immediately upon its adoption and approval.

[Signature page follows]

ADOPTED IN OPEN MEETING BY THE STATE TRANSPORTATION  
COMMISSION ON MARCH 25, 2021.

\_\_\_\_\_  
Walter Adams, Chairman

\_\_\_\_\_  
Jennifer Sandoval, Vice-Chair

\_\_\_\_\_  
Bruce Ellis, Commissioner

\_\_\_\_\_  
Hilma Chynoweth, Commissioner

\_\_\_\_\_  
Thomas C. Taylor, Commissioner

\_\_\_\_\_  
Charles Lundstrom, Commissioner

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

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

I, the undersigned, Walter Adams, Chairman, of the New Mexico State Transportation Commission (the “Commission”), DOES HEREBY CERTIFY that: (i) the annexed Resolution was duly adopted by the members of the Commission at a meeting thereof duly called and held on March 25, 2021, at which meeting a quorum was present and acting throughout; (ii) the annexed Resolution has been compared by me with the original thereof recorded in the minute books of the Commission and is a correct transcript therefrom and of the whole of said original; (iii) the annexed Resolution has not been altered, amended or repealed; and (iv) the annexed Resolution is in full force and effect on the date of this Certificate.

IN WITNESS WHEREOF, I have hereunto set my hand this \_\_\_\_ day of March, 2021.

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Walter Adams, Chairman  
New Mexico State Transportation  
Commission



# Tab 12d

Safety Concerns With Large  
Truck Traffic on NM 14  
Through Madrid and Discuss  
The Need to Impose Vehicle  
Length Restrictions on NM  
14

# Commission Brief

**SUBJECT:** Safety concerns with large truck traffic on NM 14 through Madrid and discuss the need to impose vehicle length restrictions on NM 14.

**PRESENTERS:** Rick Padilla, PE, Executive Director for Highway Operations and Paul Brasher, PE, District Five Engineer.

**BACKGROUND:** Santa Fe County officials and residents of the census-designated place of Madrid made the NMDOT aware of safety concerns regarding large trucks, specifically tractor-trailers, traveling along NM 14 through Madrid. Pursuant to these concerns, NMDOT District Five initiated a traffic study. The traffic study, performed by an outside consultant, determined that vehicles over a certain length could not navigate through two curves in Madrid (located between Mile Post 28 to Mile Post 29) without encroaching onto the shoulder or into the opposing traffic lane.

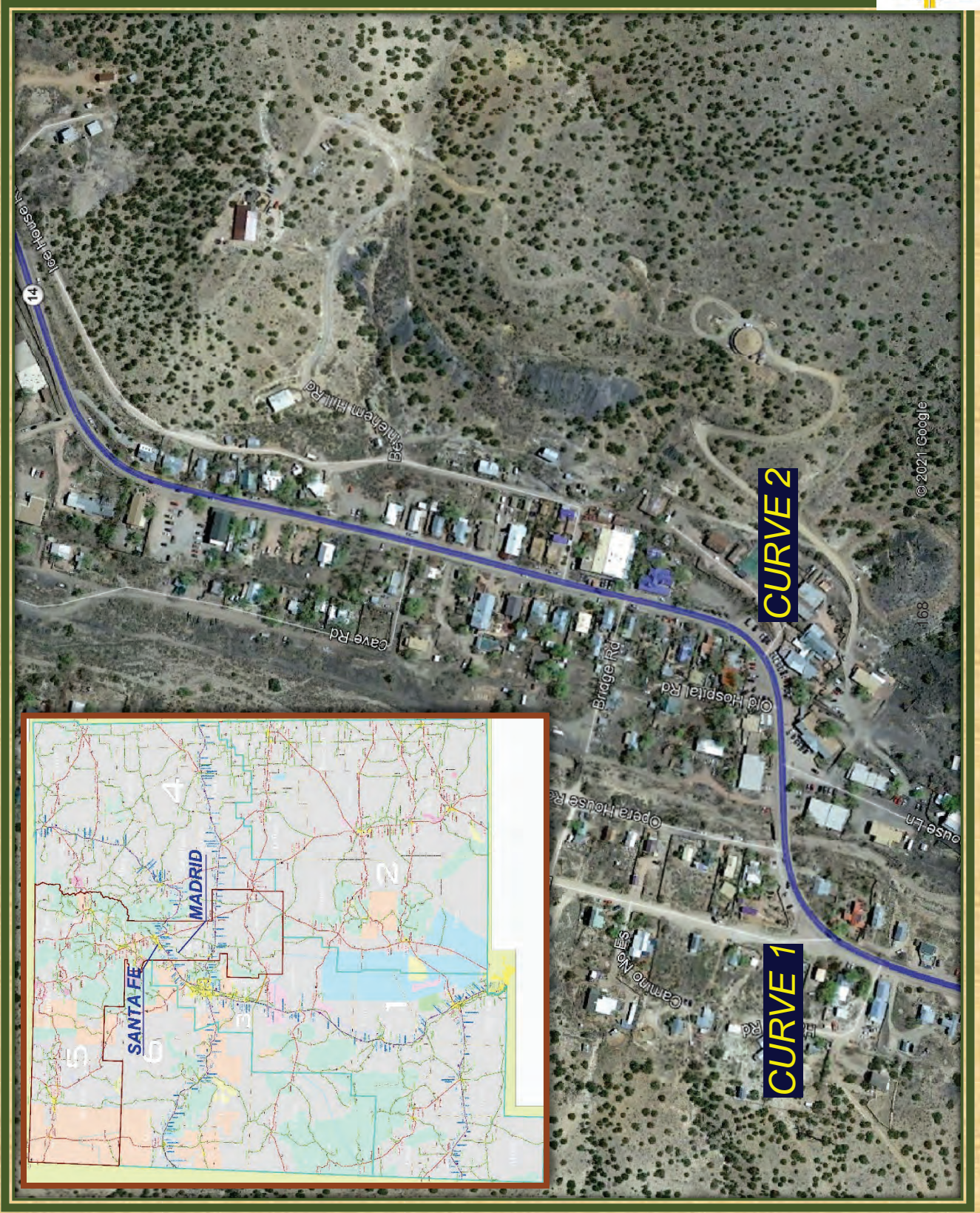
Section 66-7-415 NMSA 1978 authorizes the State Transportation Commission (STC) to “impose limitations as to size or weight” on roads and highways within the STC’s jurisdiction. The traffic study of NM 14 through Madrid identified safety concerns regarding vehicles over a certain length. The NMDOT has determined that the appropriate next step is to bring this matter to the STC for discussion of the need for a vehicle length restriction on all or part of NM 14 from I-25 to I-40 and to receive input from the STC and interested parties.

**ACTION:** No action required at this time, for discussion purposes only.



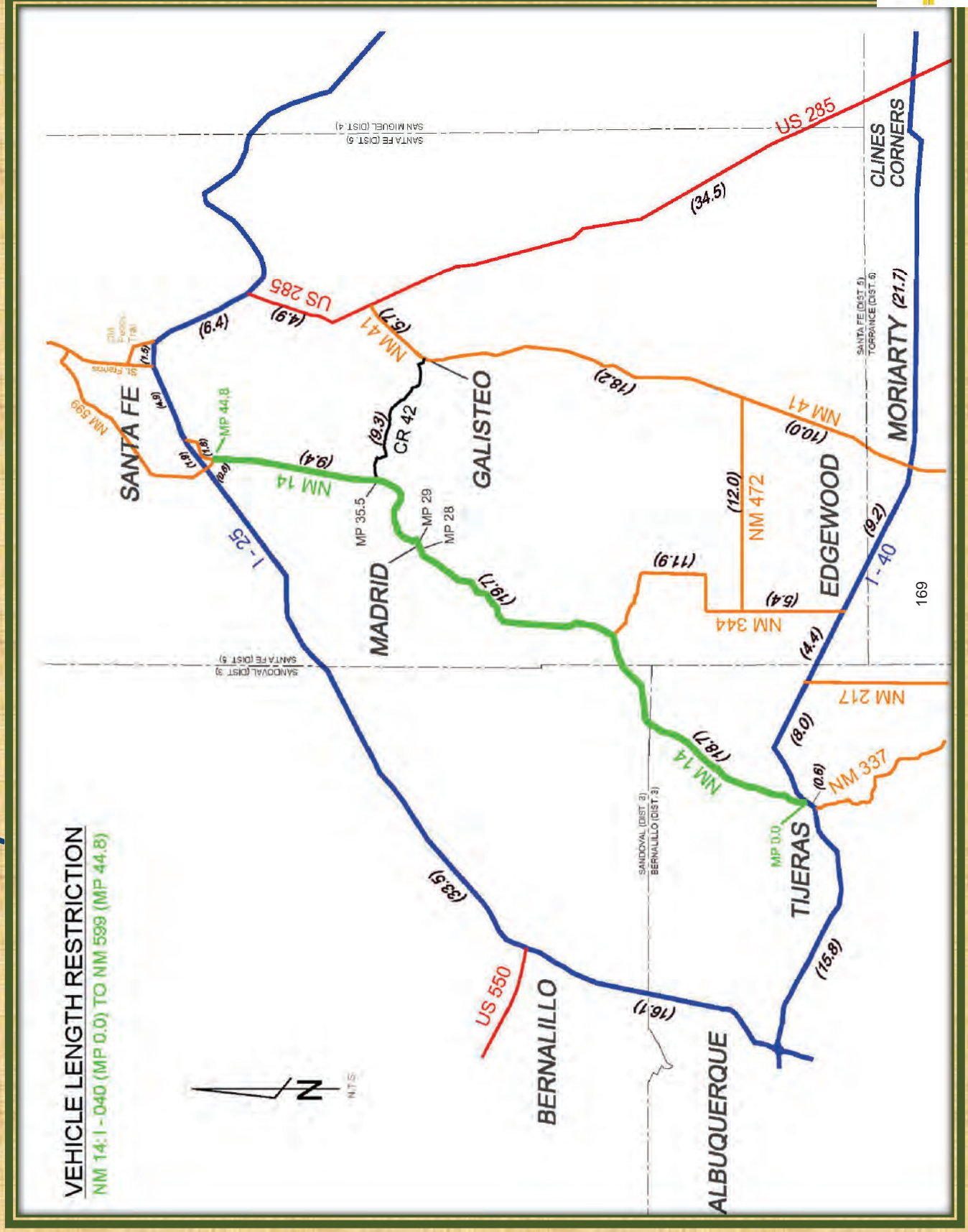


# NM 14 Through Madrid – Aerial View



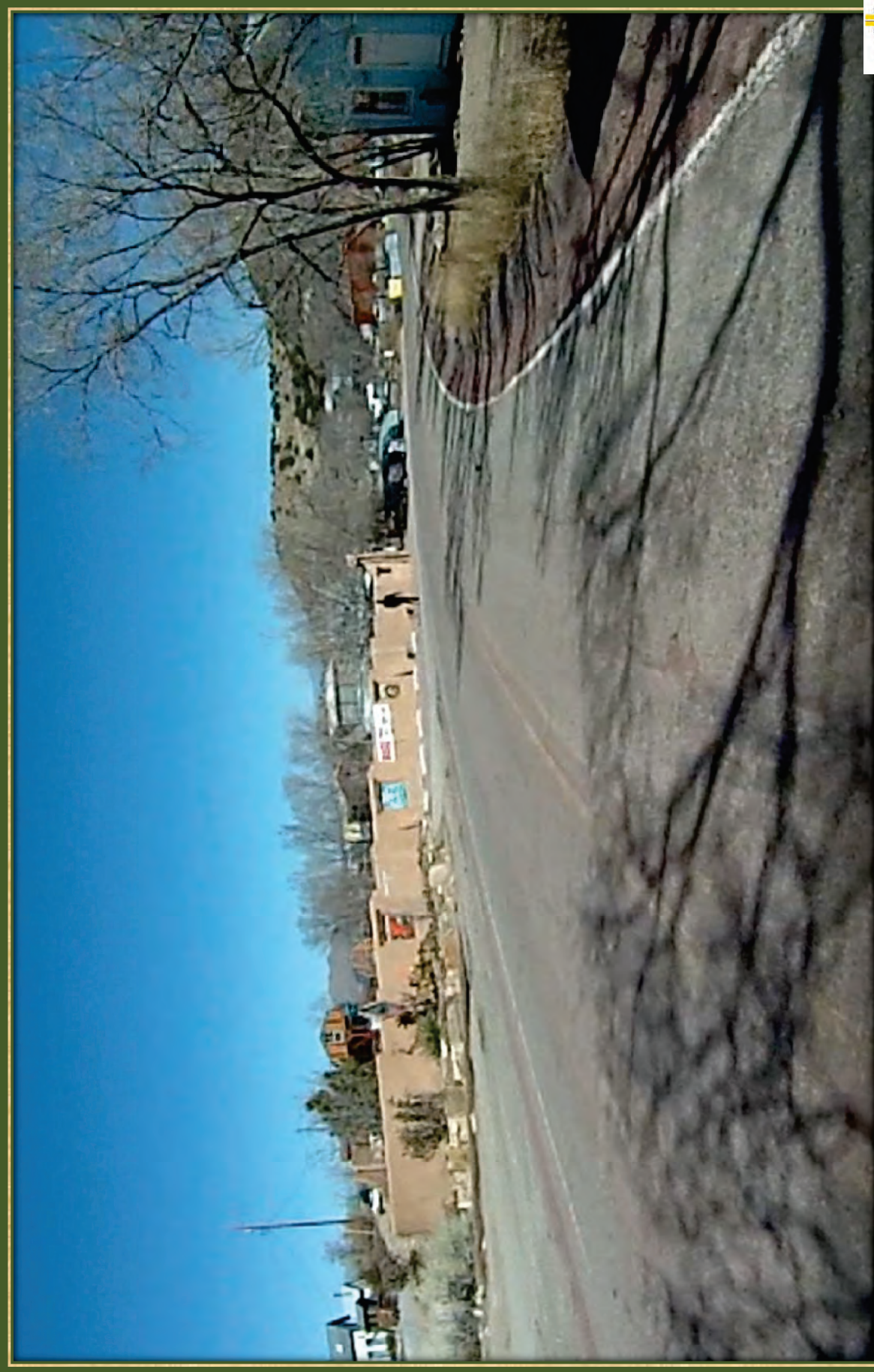


# NM 14 / Madrid Area Routes Network





## NM 14 – Northbound Curve 1 at South End of Madrid





## NM 14 – Northbound Curve 2 at South End of Madrid



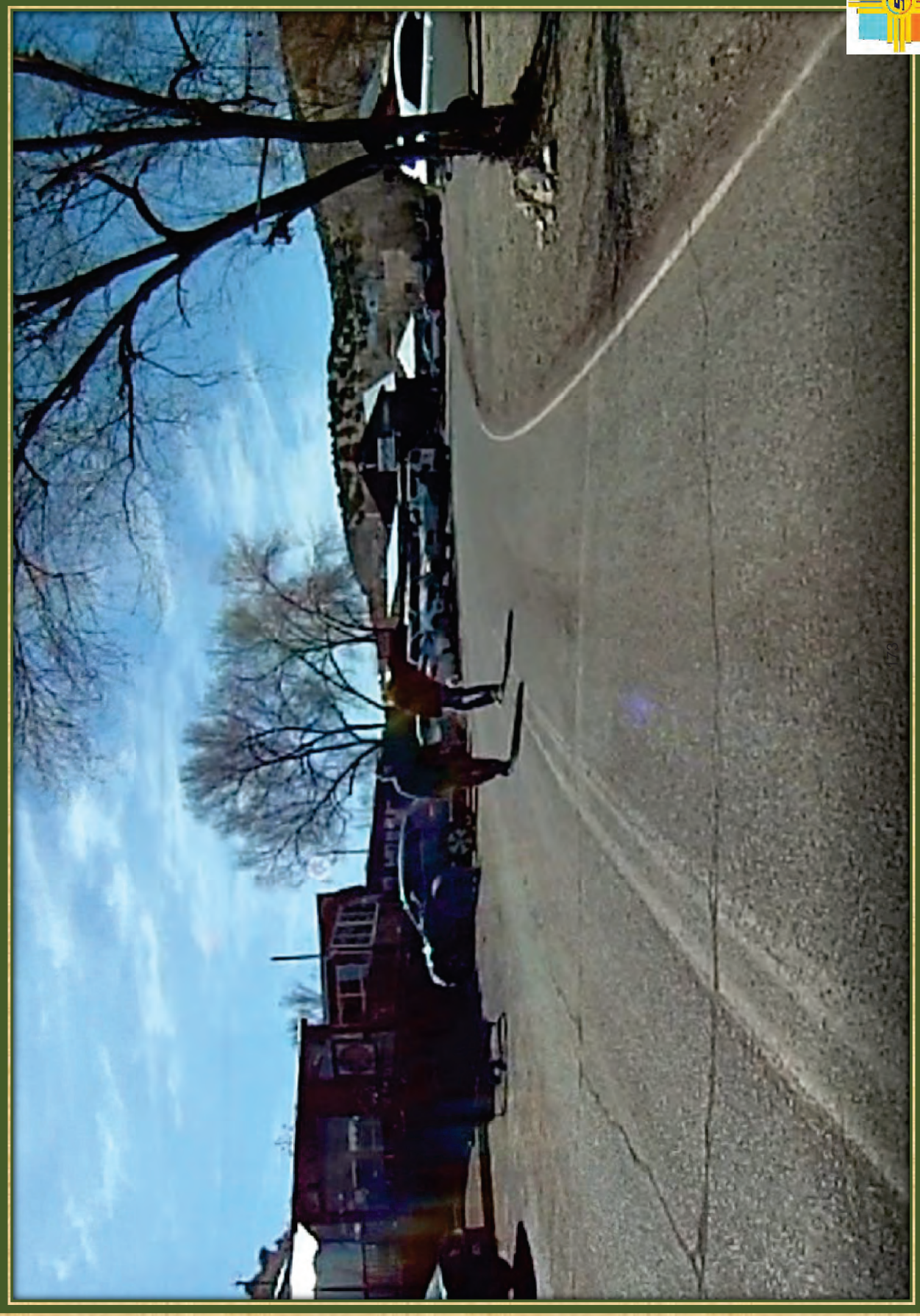


## NM 14 – Southbound Curve 1 at South End of Madrid



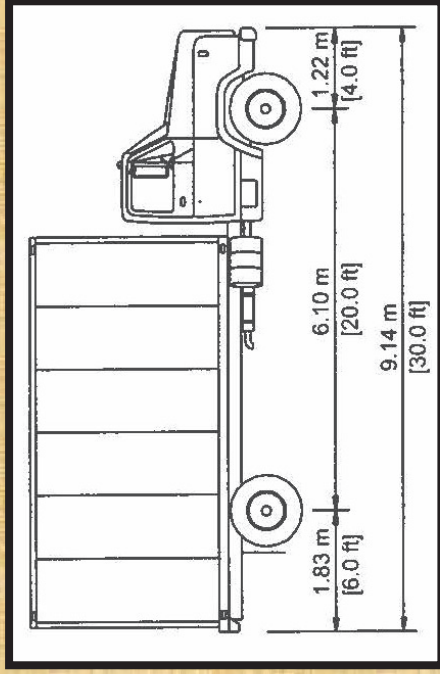


## NM 14 - Southbound Curve 2 at South End of Madrid

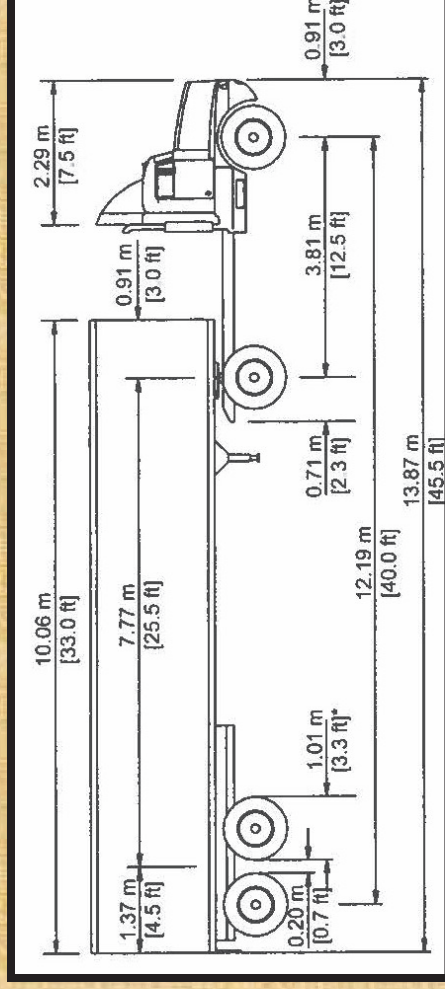




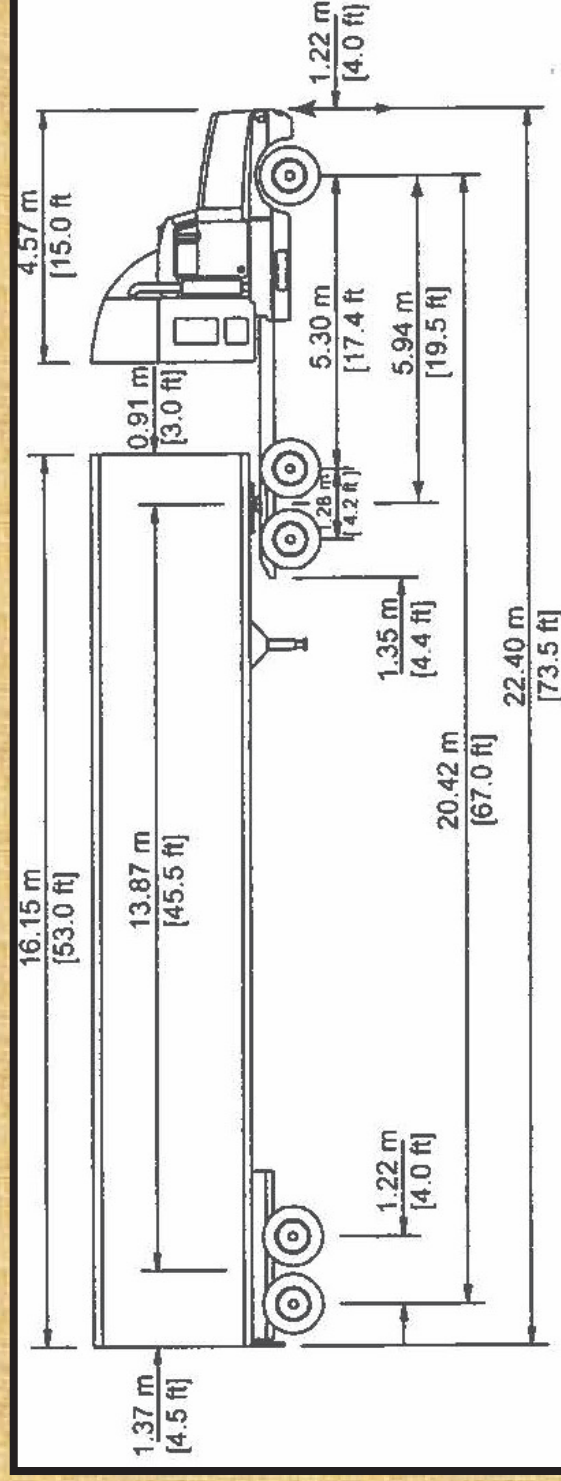
# Design Vehicles



SU – 30



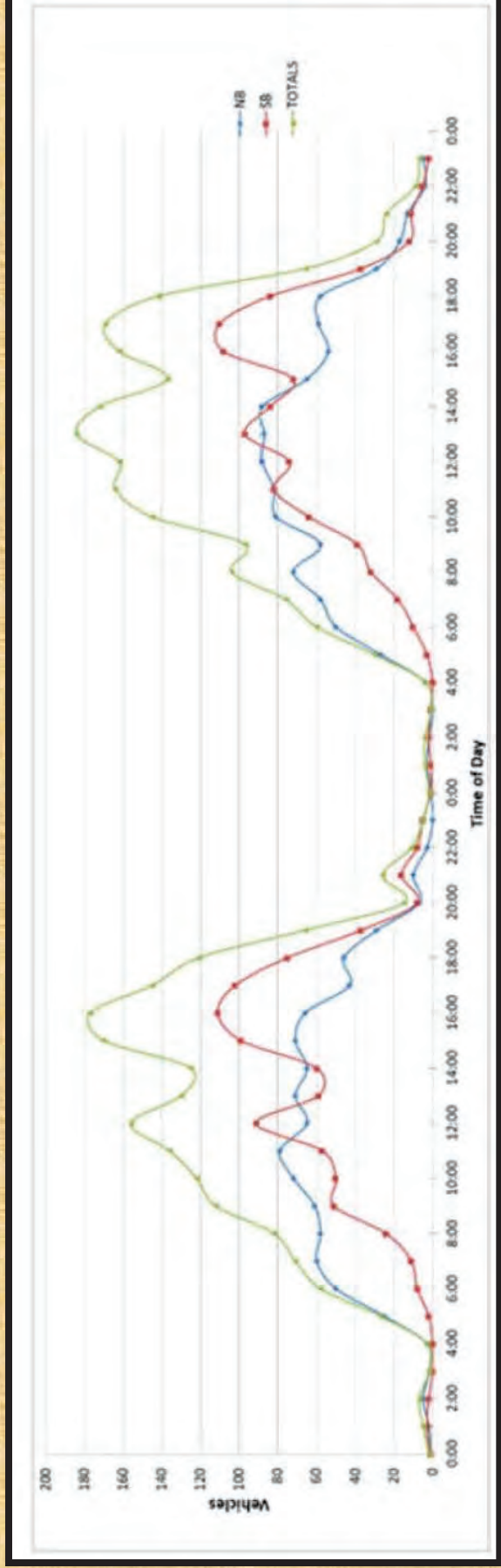
WB - 40



WB<sup>174</sup> - 67



# Traffic Data



## Bi-Directional Vehicle Volumes

Vehicle Classification	Percentage
Motorcycles	3.2%
Cars & Trailers	59.9%
2 Axle Long	22.4%
Buses	0.7%
2 Axle 6 Tire	11.1%
3 Axle Single	0.4%
4 Axle Single	0.02%
<5 Axle Double	1.5%
5 Axle Double	0.2%

## Vehicle Classification Distribution<sup>5</sup>





# Curve 1 Analysis



WB – 67:  
Northbound



WB – 67:  
Southbound





## Curve 2 Analysis



WB – 67:  
Northbound



WB – 67:  
Southbound

