

**NEW MEXICO STATE TRANSPORTATION COMMISSION  
MEETING**

**New Mexico Department of Transportation  
District Three Auditorium  
7500 Pan American Freeway NE  
Albuquerque, New Mexico 87199  
December 13, 2018**

The New Mexico State Transportation Commission (STC or Commission) held a regular meeting on December 13, 2018, at the New Mexico Department of Transportation, District Three Auditorium, Albuquerque, New Mexico. Chairman Schmeits called the meeting to order at 8:30 a.m. Commissioner Mortensen led meeting attendees in the Pledge of Allegiance.

**Approval of the STC Meeting Agenda**

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

**Approval of the STC Minutes**

**Chairman Schmeits asked for a motion to approve the minutes of the STC regular meeting of September 20, 2018; Commissioner Sepich made a motion to so approve; Commissioner White seconded; motion carried unanimously.**

**Elected Officials and Delegations:**

The Honorable Elaine Allen, Lincoln County Commissioner, District 5  
Veronica Gonzales, Cabinet Secretary, Department of Cultural Affairs

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

Kenneth White, Secretary, District One  
David Sepich, Commissioner, District Two  
Keith Mortensen, Commissioner, District Three  
Ron Schmeits, Chairman, District Four  
Butch Mathews, Vice-Chairman, District Five  
Billy Moore, Commissioner, District Six

### **NMDOT Staff Present:**

Tom Church, Cabinet Secretary  
Anthony Lujan, Deputy Secretary  
Kenneth B. Baca, Chief Deputy General Counsel  
NMDOT Staff

### **Welcoming Remarks**

Commissioner Schmeits introduced himself and welcomed meeting attendees; the other Commissioners followed with welcoming remarks.

### **Elected Officials Presentations**

Jeff Pappas, Department of Cultural Affairs, gave a brief presentation on the Lincoln Historic Site. His presentation included New Mexico's Cultural Economy; the impact of cultural tourism; Historic Preservation considerations; Historic Lincoln; protected status; visitor behavior; and potential impact. There was a brief discussion between the Commissioners and Veronica Gonzales, Cabinet Secretary, Department of Cultural Affairs.

### **Public Comment**

Herb Marsh, Resident, Lincoln County, gave comment regarding the Lincoln Historic Site.

Joyce Nesterbur, Resident, Lincoln County, gave comment regarding the Lincoln Historic Site.

Tony Davis, Resident, Lincoln County, gave comment regarding the Lincoln Historic Site.

**Request for Approval of Proposed Dedication of the Pedestrian Bridge Located at Milepoint 5.791 on FL 4685 (North Main Street) in the City of Roswell (Bridge No. 6774) as the “Sgt. Christopher A. Sanders Memorial Bridge” and Adoption of related STC Resolution 2018-13 (DEC)**

Anthony Lujan, Deputy Secretary, NMDOT, presented the proposed dedication of the bridge located on North Main Street in the City of Roswell as the “Sgt. Christopher A. Sanders Memorial Bridge”. On July 12, 2018, the City Council of Roswell, New Mexico, passed and adopted Resolution No. 18-43 supporting the dedication of the pedestrian bridge over milepoint 5.791 on FL 4685 (North Main Street) in the City of Roswell (Bridge No. 6774) as a memorial to Sgt. Christopher A. Sanders. Sgt. Christopher Sanders was a native New Mexican, born April 30, 1985. He enlisted in the U.S. Army in 2004 and served two tours of duty in Iraq during operation Iraqi Freedom. On January 9, 2008, Sgt. Sanders, five other soldiers and their interpreter were tragically killed when an improvised explosive device in a booby-trapped house detonated during combat operations in Sinsil, Diyala Province, Iraq. The proposed Resolution dedicates the subject pedestrian bridge as the “Sgt. Sanders Memorial Bridge” to honor and recognize Sgt. Sanders for his patriotism, bravery, dedication and distinguished military service.

**Chairman Schmeits asked for a motion to approve the proposed dedication of the bridge located at Milepoint 5.791 on FL 4685 (North Main Street) in the City of Roswell**

**(Bridge No. 6774) as the “Sgt. Christopher A. Sanders Memorial Bridge” Resolution No. 2018-13 (DEC); Commissioner Moore made a motion to so approve the proposed dedication and adopt related STC Resolution No. 2018-13 (DEC); Commissioner Mortensen seconded; motion carried unanimously.**

### **District Two Presentation and Employee Recognition**

Timothy Parker, P.E., District Two Engineer, NMDOT, gave a presentation regarding District Two activities, during which he discussed the District’s various projects and maintenance accomplishments. He also reported on the District’s Employee Recognition Program, acknowledged the recent award winners, and introduced other District staff members in attendance at the meeting.

### **District Two Best Practice**

Anthony Lujan, Deputy Secretary, NMDOT, requested that the STC hold this agenda item until the next STC meeting in January due to the unavailability of the Vaughn Patrol winners, who were out plowing snow due to a snow storm the previous night. The Commission agreed to hold off until the January meeting.

### **District One Best Patrol and Best Project**

Anthony Lujan, Deputy Secretary, NMDOT, presented the District One Best Patrol and Best Project Winners. The Silver City Maintenance Patrol was chosen as the Best Patrol. The Best Project crew 41-45, was the winner for its repair work to the structure of 6802 located at I-10



westbound lane milepost 95.54, which had been hit by a semi-tractor trailer causing serious damage.

### **Staff Briefings**

### **FHWA Report**

J. Don Martinez, Division Administrator, FHWA, thanked Secretary Church and the STC for the opportunity to work with and for them and delivering the transportation program for the citizens of New Mexico. Within Federal Highway there is constant talk about stewardship meaning the taxpayers money. It is very important from his perspective that the taxpayers get their monies worth and get a quality product for a reasonable price. He believes that has been done during this time. It happened because of the great direction and leadership of Secretary Church. He publicly thanked Secretary Church for being a great working partner working with the federal program in a very straight forward manner.

### **Secretary Report**

Tom Church, Cabinet Secretary, NMDOT, did not have anything to report.

### **Finance Reports**

### **NMDOT Monthly Financial Report**

Mallery Manzanares, Budget Director and Acting ASD Director, NMDOT, presented the NMDOT operating budget and financial report as of September 4, 2018. Current program vacancy rates are as follows: District One, 13.99%; District Two, 22.59%; District Three, 21.84%; District Four, 22.98%; District Five, 18.04%; District Six, 14.58%; and the total for the entire agency is

20.17%. The current adjusted budget for Project Design and Construction (P562) is \$536.7 million; Highway Operations (P563), \$247.6 million; Business Operations (P564), \$42.8 million; and Modal (P565), \$71.2 million. NMDOT is in good financial standing; and NMDOT's FY18 Financial Audit was successful.

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

Mark Lovato, Investment Manager, NMFA, provided an update regarding NMDOT's Bond Series and outstanding bond debt service under NMFA management. As of November 30, 2018, there is a set aside payment of \$14.7 million; interest in the amount of \$117,000.00; with the total debt service fund currently being held at \$83.5 million. There is a debt service payment coming up on December 17, 2018 for \$34.9 million. The arbitrage account has \$224,285.00, and the project funds total is \$8.1 million, with a draw in November in the amount of \$1.2 million. NMDOT's line of credit is in the amount of \$50 million with Wells Fargo for the BNSF escrow. The line of credit has an expiration date at the end of the fiscal year on June 30, 2019, but NMFA is working with Wells Fargo, as well as attorneys and NMDOT staff to renew the line of credit. There was a brief discussion regarding the US 491 and US 550 project close outs.

#### **Request for Approval of FY19 Budget Adjustment Requests (BARs) Nos. 9 – Federal Transit and No. 10- WIPP**

Kevin Olinger, Transit Bureau Chief, NMDOT, presented and requested approval of FY19 BAR No. 9 – Federal Transit. The BAR is required to increase budget authority in federal grants and services for the Transit Bureau in the amount of \$1,485,000. These funds will be used by the Incorporated County of Los Alamo-Atomic City Transit for the purchase of electric buses and vehicle charging stations. These are federal discretionary (competitive) grant funds awarded to

NMDOT on behalf of Los Alamos from the Federal Transit Administration. These funds are 100% federal reimbursable.

**Chairman Schmeits asked for a motion to approve FY19 BAR No. 9- Federal Transit; Commissioner White made a motion to so approve; Commissioner Mortensen seconded; motion carried unanimously.**

Rick Padilla, P.E., State Maintenance Engineer, NMDOT, presented and requested approval of FY19 BAR No. 10- WIPP. This BAR is required to increase the contractual services budget authority by \$15 million to complete the WIPP Settlement agreement. In FY17 and FY18, NMDOT received \$34 million of federal funds pursuant to the settlement agreement and Stipulated Final Order between the United States Department of Energy and the State of New Mexico Environment Department (Part II, B, 33, a and c). NMDOT has expensed \$19 million, therefore, the remaining \$15 million will be used on WIPP designated routes to improve and maximize safety and pavement conditions.

**Chairman Schmeits asked for a motion to approve FY1 BAR No. 10- WIPP; Commissioner Moore made a motion to so approve; Commissioner Mathews seconded; motion carried unanimously.**

#### **FY18 NMDOT Financial Audit**

Raul Anaya, Principal, Clifton Larsen, and Natalie Romero, Senior Associate, Clifton Larsen, presented the FY18 NMDOT Financial Audit. This is the first year Clifton Larsen has been able to present the audit early to the Commission, the reason being the audit went very smooth. The audit included audit opinions, audit process overview, hierarchy of deficiencies in



internal control, review of prior year findings, major federal program, financial statements, review of findings-federal award findings, and other findings;

### **Infrastructure Reports**

#### **Request for Approval of Continued Use of the “Jal Route” as a Temporary, Negotiated Alternate Southern WIPP Route and Adoption of STC Resolution No. 2018-14 (DEC)**

Rick Padilla, P.E., State Maintenance Engineer, NMDOT, presented and requested approval of continued use of the “Jal Route” as a temporary, negotiated alternate southern WIPP route and adoption of STC Resolution No. 2018-14 (DEC). On September 9, 2018, the DOE-CBFO requested NMDOT extend the term of use of the temporary, negotiated alternate southern WIPP route (the “Jal Route”) beyond the termination date of December 31, 2018 established by the STC in Resolution No. 2018-07 (MAY). As justification for continued use of the Jal route, instead of the existing designated southern WIPP route (US 285 to US 62/180), DOE-CBFO identifies on-going safety concerns related to portions of US 285 as well as the anticipated impacts, including lane shifts and detours, that will occur during a planned, multi-year, sink-hole remediation project south of Carlsbad, adjacent to the US 285 route. The Jal route has been identified in a NMDOT route analysis to be the preferred, alternate transportation route under current circumstances that result in a DOE-CBFO determination that the designated route is effectively unavailable for WIPP shipments from the south. NMDOT suggests a six-month extension of use of the Jal route as a temporary alternate to the designated southern WIPP route, allowing use of the Jal route until June 30, 2019, unless terminated earlier by notice.

**Chairman Schmeits asked for a motion to approve the continued use of the “Jal Route” as the temporary, negotiated alternate southern WIPP route and adoption of STC**



**Resolution No. 2018-14 (DEC); Commissioner Moore made a motion to so approve; Commissioner Sepich seconded; motion carried unanimously.**

## **Policy Reports**

### **Request for Approval of Proposed 2019 STC Meeting Schedule**

Anthony Lujan, Deputy Secretary, NMDOT, presented and requested approval of the proposed 2019 STC meeting schedule. According to Commission Policy 1, *New Mexico State Transportation Organization and Meetings* (CP1) paragraph d (1) states at the beginning of each calendar year, the Commission will set a meeting schedule for the year and revise if and when needed. Regular meetings will generally be held on the third Thursday of a month when designated to occur and extend to the following Friday if the agenda necessitates additional time. The Commission may alter the meeting schedule at its discretion. Mr. Lujan requested the January 18, 2019 meeting on the schedule be moved to January 25, 2019 due to the upcoming Legislative Session and other commitments.

**Chairman Schmeits asked for a motion to approve the proposed 2019 STC Meeting Schedule as amended moving the January meeting to January 25, 2018; Commissioner Sepich made a motion to so approve as amended; Commissioner Mathews seconded; motion carried unanimously.**

### **Request for Approval of Proposed Amendments to Commission Policy No. 62, *Additions to and Deletions from the State Highway System* (CP62)**

Stephen Thies, Assistant General Counsel, NMDOT, requested approval of proposed amendments to Commission Policy No. 62, *Additions to and Deletions from the State Highway System* (CP62). CP 62, as amended, outlines the procedure by which the Commission will consider for approval of additions to and deletions from the state highway system. CP62 has been amended to clarify certain provisions of the policy based upon input from a team of NMDOT subject matter experts.

**Chairman Schmeits asked for a motion to so approve the proposed amendments to Commission Policy No. 62, *Additions to and Deletions from the State Highway System* (CP62); Commissioner Mathews made a motion to so approve; Commissioner Mortensen seconded; motion carried unanimously.**

**Request Approval of Proposed Amendments to Commission Policy No. 91, *Alternate Bidding Procedures for Pavement Type Selection* (CP91)**

Stephen Thies, Assistant General Counsel, NMDOT, requested approval of proposed amendments to Commission Policy No. 91, *Alternate Bidding Procedures for Pavement Type Selection* (CP91). CP 91, as amended, provides that alternative bidding for pavement type selection on Federal-aid construction projects can be a suitable approach for determining pavement types when engineering and economic analysis does not indicate a clear choice between different pavement designs. CP 91 has been amended to clarify certain provisions of the policy based upon input from a team of NMDOT subject matter experts.

Michael Plese, Chairman, ACPA, New Mexico Chapter, gave comment regarding CP 91, and the amended word shall/may. As the Policy stands right now, the requirements for the NMDOT engineering staff to proceed with the alternate bids. The change in his opinion would

defer the decision at a time when the product is being developed a year or two in advance than the actual bid time. So at the time the decision is made to proceed with one type of design will not capture what is happening with the market at the time of the bid opening. Given the volatility in asphalt prices or anything tied to real markets, he requested that the CP 91 remain enforced as a requirement that the alternate bidding method be in place, so that the taxpayers can truly obtain the value of an alternate bid method with current market prices at the bid opening. There was a brief discussion between the STC and Mr. Plese, Armando Armendariz, P.E., Design and Construction Division Director, NMDOT, and Tamara Haas, P.E., Asset Management, NMDOT.

**Chairman Schmeits asked for a motion to so approve the proposed amendments to Commission Policy No. 91, *Alternate Bidding Procedures for Pavement Type Selection (CP91)*; Commissioner White made a motion to so approve; Commissioner Sepich seconded; motion carried unanimously.**

**Request for Approval of Proposed New Commission Policy No. 93, *Transportation Asset Management (CP 93)***

Stephen Thies, Assistant General Counsel, NMDOT, presented and requested approval of proposed new Commission Policy No. 93, *Transportation Asset Management (CP 93)*. Section 1106 of Moving Ahead for Progress in the 21<sup>st</sup> Century (MAP-21) required States to develop and implement a risk-based Transportation Asset Management Plan for the National Highway System (NHS) to improve or preserve the condition of the assets and the performance of the system. The Federal Highway Administration published a final rule, 23 CFR Part 515 which establishes TAMP requirements, including the processes that State departments of transportation



must use to develop plans and meet Federal Requirements with an effective date of October 2, 2017.

23 CFR Part 515 requires submission of an Initial TAMP by April 30, 2018 to FHWA, which NMDOT did, and submission of a fully compliant TAMP by June 30, 2019 to FHWA. If NMDOT does not submit to FHWA and implement a fully compliant TAMP beginning by October 1, 2019 and each fiscal year thereafter, the maximum Federal share for National Highway Performance Program projects and activities will be reduced to 65 percent for that fiscal year.

CP 93 is a proposed new Commission Policy that outlines the Secretary's responsibility to formulate directives and procedures for the development of a comprehensive Transportation Asset Management Plan that meets federal requirements in 23 CFR Part 515 for a risk-based, performance-based asset management plan. Based on input from a team of NMDOT subject matter experts, CP 93 has been created to establish policy.

**Chairman Schmeits asked for a motion to so approve the proposed new Commission Policy No. 93, *Transportation Asset Management* (CP 93); Commissioner Mathews made a motion to so approve; Commissioner Mortensen seconded; motion carried unanimously.**

#### **Request for Approval of the Draft FY2018 Annual Report**

Tom Church, Cabinet Secretary, NMDOT, presented and requested approval of the draft FY2018 Annual Report. The draft annual report was presented to the Legislative Finance Committee at the budget hearing on December 11, 2018. Publicly, Secretary Church pointed out



that the STC has been a remarkable group to work with and he thanked the six Commissioners. His report included the following: Governor & State Transportation Commission; NMDOT's organizational chart; financial; highway maintenance; highway's & bridges; program dashboard; active & completed projects & district operations; ports of entry; public transit; Aviation & ITS; and Traffic Safety. He ended stating it has been an honor, he has enjoyed his 25 years and thanked everyone for allowing him to do his job. The STC thanked Secretary Church, Anthony Lujan, Deputy Secretary, NMDOT, and all staff for work well done.

**Chairman Schmeits asked for a motion to so approve the draft FY2018 Annual Report; Commissioner Mathews made a motion to so approve; Commissioner Mortensen seconded; motion carried unanimously.**

Chairman Schmeits commented it has been a pleasure to work with Secretary Church and stated Secretary Church has accomplished a tremendous amount with his staff, and also thanked his fellow Commissioners.

Commissioner Mathews commented that it has been an honor to work with Secretary Church, he has learned a lot from him and has gained a lot of respect for employees.

Commissioner Moore commented he has learned a lot and has come to appreciate all that NMDOT does. He stated Secretary Church and Deputy Secretary Lujan have done a tremendous job with their leadership.

Commissioner Mortensen echoed his fellow Commissioners and thanked the District Engineers and all NMDOT staff.

Commissioner Sepich commented since 1987 he has served on several different commissions, and with this one by far, Secretary Church has been the best manager/ Secretary he has ever worked with. He encouraged the staff to keep doing a good job.

Commissioner White commented he has spent 45 years interacting with various levels of NMDOT and has seen good commissions and secretaries over the years. At this point in time NMDOT is operating at a really high level. He has enjoyed his time working with the STC, which is dedicated to helping NMDOT. He expressed his appreciation for the great leadership and the staff.

### Adjournment

**Chairman Schmeits asked for a motion to adjourn the regular meeting at 12:21 p.m.; Commissioner Mathews made a motion to so adjourn; Commissioner Sepich seconded; motion carried unanimously.**



**Chairman**

**Ronald Schmeits**



**Secretary**

**Kenneth R. White**