

**NEW MEXICO STATE TRANSPORTATION COMMISSION  
MEETING**

**Yam Theater  
219 S. Main Street  
Portales, New Mexico 88130  
September 17, 2015**

The New Mexico State Transportation Commission (STC or Commission) held a regular meeting on September 17, 2015, at the Yam Theater, Portales, New Mexico. Chairman Schmeits called the meeting to order at 8:30 a.m. Commissioner Sepich led meeting attendees in the Pledge of Allegiance.

**Approval of the Agenda**

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

**Approval of the Minutes**

**Chairman Schmeits asked for a motion to approve the minutes of the regular meeting of August 20, 2015; Commissioner Mathews made a motion to so approve; Commissioner Sepich seconded; motion carried unanimously.**

**Elected Officials and Delegations:**

Sharon King, Mayor, City of Portales  
Mike Miller, Mayor Pro Tem, City of Portales  
Richard Leal, Commissioner, District 2, Roosevelt County  
Jake Lopez, Commissioner, District 1, Roosevelt County

**State Transportation Commissioners Present:**

Kenneth White, Secretary, District One (Absent with Notice)  
David Sepich, Commissioner, District Two  
Keith Mortensen, Commissioner, District Three  
Ron Schmeits, Chairman, District Four  
Butch Mathews, Vice-Chairman, District Five  
Jackson Gibson, Commissioner, District Six

**NMDOT Staff Present:**

Tom Church, Cabinet Secretary  
Anthony Lujan, Deputy Secretary  
Loren Hatch, Deputy Secretary  
NMDOT Staff

**Welcoming Remarks**

The Honorable Sharon King, Mayor, City of Portales, welcomed the STC and NMDOT staff to Portales. She provided an update regarding local events and projects.

**District Two Presentation**

Timothy Parker, P.E., District Two Engineer, NMDOT, gave a presentation regarding District Two activities, during which he discussed the District's construction accomplishments, current and future projects, and various maintenance issues.

**Presentations by Elected Officials and Delegations**

Sammy Standefer, City Manager, City of Portales, gave a presentation entitled "Downtown Construction." On behalf of the City of Portales, he thanked NMDOT and District Two staff for the work being done in the area.

## **Public Comment**

The following public comments were made at the STC meeting:

Bill Cathey, citizen, City of Dora, commented regarding matters of concern within the City. He also expressed his appreciation to NMDOT for its assistance in resolving various issues.

Brian Jones, Executive Director, Asphalt Paving Association of New Mexico (APANM), announced that certain national organizations he is associated with would like to give the State of New Mexico awards for paving projects. To qualify for the awards, project particulars and photographs must first be submitted. Mr. Jones offered to submit for consideration any projects NMDOT deems noteworthy.

Secretary Church asked Mr. Jones to contact Melissa Doshier, Public Information Officer (PIO), NMDOT, in effort to coordinate with all District PIOs.

David Stone, President, James Polk Stone Community Bank, commented regarding a pedestrian crossing problem at the intersection where the bank is located in Portales. He explained that NMDOT installed traffic lights and crosswalk signs with solar powered flashing lights in the area, but did not do so at the intersection in front of the Bank. He requested NMDOT to install the same lights at the location and stated that if NMDOT's budget is tight, he would be willing to pay the purchase costs provided NMDOT performs the installation.

## **Workshop Agenda**

### **Finance Committee**

#### **Monthly Financial Report**

Bridgette Long, Acting Accounting Services Director, NMDOT, presented the NMDOT operating budget financial summary for the month ending August 31, 2015. She reported that NMDOT's total FY16 budget is approximately \$1.20 billion. As of September 8, 2015, \$149.66 million had been expended, which is 12% of the total budget. FHWA revenues, which are based on reimbursements, are at \$25.04 million, and are tracking ahead of last year. Road Fund balance reserves are estimated at \$67.67 million. Personnel Services are \$23.82 million, Contractual Services total \$39.07 million, other Operating Costs equal \$13.96 million, and Debt Service is \$24.92 million.

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

Mark Lovato, Investment Manager, NMFA, provided an update regarding NMDOT portfolio funds under NMFA management. As of August 31, 2015, the balance in the portfolio was \$117.6 million, a net increase of \$13.2 million from July. The change is attributed to debt service payments of \$194,010, no draws for the month, plus total earnings of \$3,239, and \$13.4 million debt service set asides payments. There is 75% in the project account, of which \$8.4 million is in the 2010A bond fund account, \$80 million in the 2014A Highway Infrastructure Fund (HIF) account, 23% in debt service, and 2% in the arbitrage rebate account. On August 31, 2015, the balance in the taxable line of credit at Bank of America was \$47 million for collateral needs, and the balance in the taxable line of credit at Wells Fargo was \$50 million for the BNSF

Escrow account. As of September 8, 2015, the amount to exit the swaps was \$109.5 million. Mr. Lovato also provided a breakdown regarding NMDOT/NMFA outstanding debt service.

**Budget Adjustment Request (BAR) for State Infrastructure Bank (SIB) Loan to the Town of Peralta**

Michael Friel, Budget Director, NMDOT, presented the BAR for the SIB loan to the Town of Peralta. The purpose of the BAR is to reauthorize operating budget authority in the Contractual Services category in the State Infrastructure Bank Fund (SIB#89300) in order to continue funding for the SIB loan to the Town of Peralta in the amount of \$883,000. At present, the SIB Fund has no approved operating budget for FY16; accordingly, this request is being submitted.

**Budget Adjustment Request (BAR) for Aviation Division**

Steve Summers, Aviation Director, NMDOT, presented a BAR for the Aviation Division. He explained that the Aviation Division sought bids for a grading project at the state-owned Conchas Lake Airport. The project was originally to be funded and completed in FY15. Because only one bidder responded and the bid was substantially higher than the engineer's estimate, the Aviation Division and the Federal Aviation Administration (FAA) agreed to cancel and re-bid the project. Since the FY16 appropriation request had already been submitted and approved prior to the FAA's authorization to rebid, the project funding was not included in the FY16 operating budget. The Aviation Division would nonetheless like to proceed with the grading project and has therefore applied for a FAA grant to fund 90%, or \$853,976, to supplement funding for the project. Although FAA grants are reimbursable, states are required

to first pay project costs and subsequently request reimbursement. Accordingly, the Aviation Division is seeking the STC's approval of a \$950,000 BAR for Aviation Fund balance reserve funds to supplement its FY16 operating budget in order to complete the project. It is anticipated that all funds will be spent and recovered in FY16.

### **Policy Committee**

#### **Proposed Amendments to Commission Policy No. 27 – Disadvantaged Business Enterprise Program (CP 27)**

David Stevens, Assistant General Counsel, NMDOT, discussed proposed amendments to CP 27. CP 27 is the policy which encourages and supports a Disadvantaged Business Enterprise (DBE) Program and authorizes the Secretary of Transportation, within the Office of Equal Opportunity Programs, to develop and administer a DBE Program as required by federal law. Mr. Stevens explained that it is currently up to the STC and Secretary Church whether to approve the proposed amendments or allow the policy to lapse since the policy is not actually necessary anymore.

#### **Proposed Amendments to Commission Policy No. 30 – Office of Inspector General (CP 30)**

David Stevens, Assistant General Counsel, NMDOT, discussed the proposed amendments to CP 30. CP 30 is the policy which authorizes the Secretary of Transportation to establish and maintain the Office of Inspector General to assure that NMDOT's activities and operations are conducted in accordance with Federal and State laws, rules, regulations, NMDOT policy, and administrative procedures.

## Regular Meeting Agenda

### Staff Briefings

### Secretary Report

Tom Church, Cabinet Secretary, NMDOT, provided a brief report regarding performance measures, which included information concerning public transportation, construction, fatalities, highway operations, pavement miles preserved, rest areas, work zones, payments, and vacancy percentages in all programs.

### Action Items

#### Approval of Budget Adjustment Request (BAR) for State Infrastructure Bank (SIB) Loan to the Town of Peralta

Michael Friel, Budget Director, NMDOT, requested the STC's approval of the BAR for the SIB loan to the Town of Peralta.

**Chairman Schmeits asked for a motion to approve the BAR for the SIB loan to the Town of Peralta; Commissioner Mathews made a motion to so approve; Commissioner Gibson seconded; motion carried unanimously.**

#### Approval of the Budget Adjustment Request (BAR) for Aviation Division

Steve Summers, Aviation Director, NMDOT, requested the STC's approval of the Budget Adjustment Request (BAR) for the Aviation Division.

**Chairman Schmeits asked for a motion to approve the BAR for the Aviation Division; Commissioner Sepich made a motion to so approve; Commissioner Mortensen seconded; motion carried unanimously.**

**Approval of Proposed Amendments to Commission Policy No. 43 – Annual Financial Audit by External Auditor (CP 43)**

David Stevens, Assistant General Counsel, NMDOT, requested the STC's approval of the proposed amendments to CP 43.

**Chairman Schmeits asked for a motion to approve the proposed amendments to CP 43; Commissioner Sepich made a motion to so approve; Commissioner Mathews seconded; motion carried unanimously.**

**Approval of Proposed Amendments to Commission Policy No. 47 – Archaeological Costs (CP 47)**

David Stevens, Assistant General Counsel, NMDOT, requested the STC's approval of the proposed amendments to CP 47.

**Chairman Schmeits asked for a motion to approve the proposed amendments to CP 47; Commissioner Mathews made a motion to so approve; Commissioner Mortensen seconded; motion carried unanimously.**

**Commissioner Comments**

Commissioner Sepich thanked Portales for its hospitality and stated that he enjoyed meeting with its citizens.



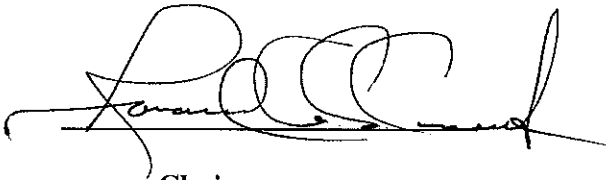
Commissioner Mortensen also extended his thanks to Portales.

Commissioner Gibson expressed his appreciation to Portales for hosting the meeting and thanked his fellow Commissioners for a good meeting.

Commissioner Mathews expressed his gratitude for Portales' hospitality and stated that he enjoys being a Commissioner and serving the State of New Mexico.

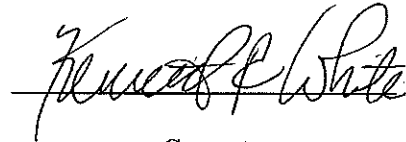
Chairman Schmeits also thanked Portales.

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



**Chairman**

**Ronald Schmeits**



**Secretary**

**Kenneth R. White**

