

**NEW MEXICO STATE TRANSPORTATION COMMISSION
MEETING**

**New Mexico Department of Transportation
General Office
1120 Cerrillos Road
Santa Fe, New Mexico 87504
January 17, 2018**

The New Mexico State Transportation Commission (STC or Commission) held a regular meeting on January 17, 2018, at the New Mexico Department of Transportation, General Office, Santa Fe, 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 Mathews 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 November 16, 2017; Commissioner Mathews made a motion to so approve; Commissioner Sepich seconded; motion carried unanimously.

Elected Officials and Delegations:

The Honorable Carl Trujillo, New Mexico State Representative, Santa Fe County, District 46

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

The Commissioners and NMDOT Executive Staff introduced themselves and welcomed all meeting attendees.

Public Comment

Philo Shelton, Public Works Director, Los Alamos County, commented regarding several Los Alamos projects, including the NM 502 project, which NMDOT has been helping with since 2014.

Request for Approval to Dedicate a 9.879 Mile Portion of NM 76 as the “Casimiro Roca Memorial Highway” and Related STC Resolution No. 2018-03 (JAN)

Tom Church, Cabinet Secretary, NMDOT, introduced Carl Trujillo, New Mexico State Representative, District 46, and invited him to present to the STC a request to dedicate a 9.879 mile portion of NM 76 as the “Casimiro Roca Memorial Highway.”

Representative Trujillo explained that during the 2017 New Mexico Legislative Session, the House of Representatives passed House Memorial 56, *Highway 76 as Casimiro Roca Highway*. The Memorial requested the dedication as a tribute to Father Casimiro Roca, who served the community of Chimayó for more than five decades, and in large part was responsible for caring for and helping to restore the Santuario de Chimayó. Representative Trujillo subsequently read proposed STC Resolution No. 2018-03 (JAN) aloud to the STC and requested approval of the proposed dedication.

Chairman Schmeits asked for a motion to approve the proposed dedication of the 9.879 mile portion of NM 76 as the “Casimiro Roca Memorial Highway” and to adopt related STC Resolution No. 2018-03 (JAN); Commissioner Mathews made a motion to so approve the proposed dedication and to adopt the related Resolution; Commissioner Mortensen seconded; motion carried unanimously.

District Five Presentation and Employee Recognition

Paul Brasher, P.E., Acting District Five Engineer, NMDOT, gave a presentation regarding District Five activities, during which he discussed the District’s various projects and maintenance accomplishments. He also reported on the District’s Employee Recognition Program and acknowledged the recent award winners.

General Office Section of the Year Award Presentation

Anthony Lujan, Deputy Secretary, NMDOT, presented the 2017 NMDOT General Office Section of the Year award to the Budget Section.

Staff Briefings

Secretary Report

Tom Church, Cabinet Secretary, NMDOT, reported regarding the status of the 2018 Legislative Session. He stated that to date, NMDOT has made presentations to the House Transportation, Public Works and Capital Improvements Committee; Senate Finance Committee; and Senate Corporations and Transportation Committee. He subsequently introduced Sally Reeves as NMDOT's new State Construction Engineer and Lawrence Lopez as the new North Region Design Manager. He also reported that although another short term federal extension through January 18, 2018, was passed by Congress, a government shutdown is still possible. The last two federal extensions have not included continuing resolutions for highway funds, and, as a result, NMDOT's January 2018 letting has been placed on hold. The February 2018 letting will be based on the actions the federal government takes in the next couple of days.

Commercial Vehicle Permit Compliance Pilot Project

Mike Sandoval, Modal Program, NMDOT, and Hal Bennick, Genetec Inc., discussed the Commercial Vehicle Permit Compliance Pilot Project (Permit Compliance Project). Mr. Sandoval explained that NMDOT assumed responsibility for the operation of the ports of entry on November 14, 2016. Shortly thereafter, permit process and road safety measures were established. The Permit Compliance Project uses an automated system to detect and provide

alerts on commercial trucks that are intentionally avoiding Weigh in Motion (WIM) stations by either driving in the wrong lane or crossing a border when the station is closed. Mr. Bennick provided an overview of the functionality of the Permit Compliance Project software and hardware and discussed Genetec's management console and unified platform. The STC and Messrs. Bennick and Mr. Sandoval discussed the location of the system and its cost to NMDOT. The STC believes the Permit Compliance Project is a good start, but would like more research performed, and requested that an update be provided at the next STC meeting.

NMDOT Telephone Project

Bruce Oakeley, CIO, NMDOT, reported regarding NMDOT's telephone conversion project. At present, NMDOT utilizes a voice-over IP (VoIP) call manager to facilitate phone calls between the District offices and Central Region Design and South Region Design offices. The system was installed approximately 7 years ago and is reportedly at the end of its life. The costs to replace the VoIP system and maintain it post replacement are estimated at approximately \$800,000. Moving to a "cellular preferred" approach has been identified as a more cost effective solution. Mr. Oakeley outlined the projected benefits of the plan, business efficiencies and estimated savings to NMDOT, which is anticipated to be approximately \$230,000 per year. He also discussed the current status of the project.

Finance Reports

Monthly Financial Report

Michael Friel, Accounting Services Director/Chief Financial Officer, NMDOT, presented the NMDOT operating budget and financial report as of December 31, 2017. The current adjusted budget for Project Design and Construction (P562) is \$835.7 million, \$273.4 million in

encumbrances, and \$141.3 million in expenses; Highway Operations (P563), \$233.8 million, \$31.6 million in encumbrances, and \$90.7 million in expenses; Business Operations (P564), \$42.2 million, \$4.8 million in encumbrances, and \$19.3 million in expenses; Modal (P565), \$64.4 million, \$28.6 million in encumbrances, and \$10.2 million in expenses. NMDOT is in good financial standing at this time. Current program vacancy rates are as follows: Project Design and Construction, 21.6%; Highway Operations, 15.1%; Business Operations, 16%; and Modal, 20.6%.

FY17 Audit Report

Raul Anaya, Principal, and Andres Gamez, Senior Associate, Clifton Larson Allen, LLP (CLA), presented the NMDOT FY17 Independent Auditors' Report regarding financial statements and other financial information. They discussed CLA's unmodified Financial Statement Audit Opinion and unmodified Single Audit Opinion, the audit process, findings, and recommendations. NMDOT had a total of five findings in its FY17 audit.

New Mexico Finance Authority (NMFA) Monthly Report

Mark Lovato, Investment Manager, NMFA, provided an update regarding NMDOT's December bond payments. As of January 17, 2018, the market to market value of NMDOT's SWAP portfolio was \$71.8 million. As of June 30, 2017, NMDOT/NMFA's outstanding bond debt service was approximately \$1.2 billion. A \$41 million debt service payment was made on December 15, 2017, \$12.3 million of which was applied to principal and \$28.7 million to interest. After the December payment was made, approximately \$1.2 billion remains outstanding. On June 15, 2018, the payment due will be \$113 million dollars; \$84.6 million will go toward principal and \$28.4 million to interest.

Public Financial Management (PFM) Quarterly Debt Management Update

Peter Shellenberger, Managing Director, PFM, presented the quarterly Debt Management Update, which included detailed information regarding municipal market conditions, recent tax reform legislation, interest rates, NMDOT's current debt, bond and swap portfolio, and the potential for terminating the swaps and refunding the associated bonds.

Request for Approval of FY18 Budget Adjustment Request (BAR) No. 8, US 550 Warranty Repair Project(s)

Mallery Martinez, Budget Director, NMDOT, presented and requested approval for FY18 BAR No. 8 - P563 - HOP, which is needed to increase the budget authority in the amount of \$6.3 million for the US 550 Warranty Program (Category 300).

Chairman Schmeits asked for a motion to approve BAR No. 8 - P563 - HOP; Commissioner White made a motion to approve BAR No. 8 - P563 - HOP; Commissioner Moore seconded; motion carried unanimously.

Infrastructure Reports

Request for Approval of Proposed STC Resolutions Concerning the Use of the Hobbs

Alternate WIPP Route

Elizabeth Travis, Deputy General Counsel, NMDOT, presented and requested approval for and adoption of two proposed STC resolutions concerning use of the Hobbs Alternate WIPP Route. The first resolution (STC Resolution No. 2018-01 (JAN)) requests ratification of NMDOT's agreement with the Department of Energy - Carlsbad Field Office (DOE-CBFO) to

extend the term of use for the Hobbs Alternate WIPP route for shipments originating at the Waste Control Specialists, LLC (WCS) site in Andrews, Texas. The DOE-CBFO requested extended use of the route as a result of a change of circumstance that occurred after the November 16, 2017 STC meeting. The second resolution (STC Resolution No. 2018-02 (JAN)) requests approval for use of the Hobbs Alternate WIPP route as the temporary alternate Southern WIPP route for shipments with origins other than the WCS site. The use requires in-transit inspection to be coordinated between DOE-CBFO and the New Mexico Department of Public Safety, Motor Transportation Division, or NMDOT. Ms. Travis mentioned that the 2017 reference on page 3, line 1 of the resolution, needs to be corrected to 2018. She subsequently discussed with the STC certain details regarding the proposed resolutions.

Chairman Schmeits asked for a motion to approve STC Resolution Nos. 2018-01 (JAN) and 2018-02 (JAN); Commissioner Mathews made a motion to so approve STC Resolution Nos. 2018-01 (JAN) and 2018-02 (JAN); Commissioner Sepich seconded; motion carried unanimously.

Policy Reports

Request for Approval of Annual Determination of Notice Provisions for Open and Closed State Transportation Commission Meetings

Kenneth Baca, Deputy 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. He explained that every public body in the State that holds public meetings is required to determine annually in a public meeting what is reasonable notice for their open and closed meetings. Commission Policy 1, *New Mexico State Transportation Commission Organization and Meetings* (CP 1), sets forth the notice requirements for open and closed meetings of the STC. He also explained that the STC is required to take action at this time to determine the specific notice provisions for its open and closed public meetings. He requested that the STC reaffirm its current notice provisions contained in CP 1.

Chairman Schmeits 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 Mathews made a motion to so approve the annual determination of notice provisions for open and closed State Transportation Commission meetings; Commissioner Sepich seconded; motion carried unanimously.

Request for Approval of Proposed Amendments to Commission Policy No. 66, *Bicycle Pedestrian and Equestrian Policy* (CP 66)

Stephen Thies, Assistant General Counsel, NMDOT, presented and requested approval of proposed amendments to CP 66. He explained that CP 66 is the STC's policy regarding bicycle, pedestrian and equestrian facilities. The proposed revisions have been made clarify the language of certain provisions in CP 66; however, no substantive changes have been made.

Chairman Schmeits asked for a motion to approve the proposed amendments to CP 66; Commissioner Sepich made a motion to so approve the proposed amendments to CP 66; Commissioner Mortensen seconded; motion carried unanimously.

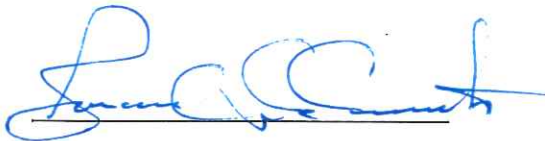
**Request for Approval of Final Rulemaking Action Regarding Repeal of 18.31.4 NMAC,
Litter Control and Beautification Grant Requirements**

Phillip Montoya, Planning Division, NMDOT, presented and requested approval of the final rulemaking action for the repeal of 18.31.4 NMAC, Litter Control and Beautification Grant Requirements. He discussed the reasons for NMDOT's repeal of the rule and the New Mexico Tourism Department's (NMTD) intention to replace it as a result of the transfer of responsibility for the State Litter Control and Beautification Grant Program from NMDOT to NMTD by the New Mexico Legislature in 2001.

Chairman Schmeits asked for a motion to approve the final rulemaking action for the repeal of 18.31.4 NMAC, Litter Control and Beautification Grant Requirements; Commissioner Mathews made a motion to so approve the final rulemaking action for the repeal of 18.31.4 NMAC; Commissioner Moore seconded; motion carried unanimously.

Adjournment

Chairman Schmeits asked for a motion to adjourn the regular meeting at 10:46 a.m.; Commissioner Mathews made a motion to so adjourn; Commissioner Moore seconded; motion carried unanimously.



Chairman

Ronald Schmeits



Secretary

Kenneth R. White