

**NEW MEXICO STATE TRANSPORTATION COMMISSION**

**MEETING**

**Sky City Casino Hotel  
7 Sky City Drive  
Acoma Pueblo, New Mexico 87034  
September 15, 2022**

The New Mexico State Transportation Commission (STC or Commission) held a regular meeting on September 15, 2022, at the Sky City Casino Hotel, Acoma Pueblo, New Mexico. Chairman Adams called the meeting to order at 8:33 a.m. He asked for a roll call to establish a quorum. Mershawn Griego, Office of the Secretary, New Mexico Department of Transportation (NMDOT or the Department), proceeded to call the roll. Commissioners Hilma Chynoweth, Walter G. Adams, Thomas C. Taylor and Charles Lundstrom were present.

**Approval of the STC Meeting Agenda**

**Chairman Adams asked for a motion to approve the STC meeting agenda; Commissioner Chynoweth made a motion to approve the agenda, as presented; Commissioner Lundstrom seconded; motion carried unanimously.**

**Approval of the STC Minutes**

**Chairman Adams asked for a motion to approve the August 18, 2022 STC regular meeting minutes; Commissioner Taylor made a motion to approve the minutes; Commissioner Chynoweth seconded; motion carried unanimously.**

**State Transportation Commissioners Present:**

Jennifer Sandoval, Vice-Chair, District One (absent with notice)  
Bruce Ellis, Commissioner, District Two (absent with notice)  
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:**

Ricky Serna, Cabinet Secretary  
Justin Reese, Deputy Secretary, Business Support  
Rick Padilla, P.E., 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 Randall Vicente, Governor, Pueblo of Acoma  
The Honorable Erik Garcia, Mayor, City of Grants  
George Garcia, Councilor, Grants City Council, District 2  
Gaylord Siow, Project Manager, Pueblo of Acoma  
Christine Lowery, County Commissioner, Cibola County, District 1  
Larry Diaz, Sheriff, Cibola County  
Evan Williams, CEcD, Executive Director, Northwest New Mexico Council of Governments

**Introductions**

Ricky Serna, Cabinet Secretary, NMDOT, acknowledged the elected officials and certain others in attendance. Thereafter, the STC Commissioners introduced themselves, and Secretary Serna introduced NMDOT Executive Staff.

### **Welcoming Remarks**

Chairman Adams thanked District Six, and the Sky City Casino Hotel in Acoma for hosting the STC meeting, and meeting attendees for their participation.

### **Public Comment**

Harry Garcia, New Mexico State Representative, District 69, welcomed the STC, NMDOT staff and meeting attendees to his District. Representative Garcia commented on the issues in the district due to rain and highway backups on I-40 and looks forward to the I-40 project of expanding to three (3) lanes each way from Gallup to Albuquerque. He thanked Acoma for hosting the meeting and thanked NMDOT staff for their responsiveness to issues in his district.

On behalf of the Commission, Chairman Adams thanked Representative Garcia for the work he does being a part of the House Transportation Committee at the Legislature and working toward funding for the Department. Representative Garcia also thanked the Department for its support of the Pueblos and the Navajo Nation.

Erik Garcia, Mayor of Grants, welcomed the STC and meeting attendees to Cibola County. Mayor Garcia commented that there are about 15 – 20 funding agreements going on within District Six and thanked the STC for their continued support.

Chairman Adams recognized Madam Chair Lundstrom who is a fighter for the Department at the legislature and commended Commissioner Lundstrom who is greatly involved with how to get things done in the District Six area.

**Presentation of Quitclaim Deed to Pueblo of Acoma for transfer of SP 30 (Bibo Road, South of I-40), Old NM 124 Spur (North of I-40), and Tracts 3-1-C and 3-4**

Lisa Vega, P.E., District Engineer, District Six, presented a quitclaim deed to the Pueblo of Acoma for the transfer of SP 30, Old NM 124, and tracts 3-1-C and 3-4. On August 18, 2022 the STC approved the transfer to the Pueblo of Acoma of certain portions of roads and parcels related to the reconstruction and realignment several years ago of Exit 102 on I-40. Pursuant to the Commission's approval, a quitclaim deed was executed transferring SP 30, Old NM 124 Spur, and Tracts 3-1-C and 3-4 to the United States of America in Trust for the Pueblo of Acoma.

Ann Rodgers, General Counsel for the Pueblo of Acoma, mentioned that she had been working on this transfer with Ms. Vega for several years and it started when Acoma needed to get Exit 102 rebuilt. Acoma could not get the Exit rebuilt and offered to pay half of the cost of the rebuild and that was the start to a successful relationship between the Pueblo of Acoma and the NMDOT District Six office. Ms. Rodgers introduced several members of the Pueblo of Acoma Council and Denis Fløge, CEO of Acoma Business Enterprises.

Edmund Seymour, Head Councilman, Pueblo of Acoma, thanked the STC, NMDOT and meeting attendees for attending the meeting. Mr. Seymour, a former employee with NMDOT District Six, mentioned he enjoyed his time with the Department. He was thankful for the years of working on the transfer that was approved.

Denis Fløge, CEO of Acoma Business Enterprises, mentioned that this is a big event and appreciates all the effort that went into getting this transfer approved. Mr. Fløge mentioned that Acoma is aggressively pursuing an Electric Vehicle (EV) charging hub. Acoma is an eleven-hour drive from the Port of Los Angeles, CA and when EV trucks become available Acoma would like

to be the tip of the spear in terms of having charging stations to take care of EV trucks. In the meantime, Acoma is going to set up EV charging stations for automobiles and is working to pursue that endeavor.

**Pueblo of Acoma Transportation Presentation**

Randall Vicente, Governor, Pueblo of Acoma, presented on transportation road design and road improvements in Acoma. He thanked the Department for Transportation Project Fund (TPF) and Local Government Road Fund (LGRF) monies provided for projects in Acoma. Governor Vicente proposed SP30 Pueblo Road West End Project and San Lorenzo Road projects to the STC as needs in the Pueblo of Acoma. Governor Vicente asked to be involved in future meetings to inform the STC on updates from Acoma Pueblo.

Chairman Adams thanked Governor Vicente for attending and hosting the STC and for the presentation.

**Transportation, Economic Development, and Once-in-a-Generation Funding: Outlining the Greater Gallup Strategy**

Evan Williams, Executive Director, Northwest New Mexico Council of Governments, presented a follow up from a presentation from the September 2021 STC meeting on transportation assets, the Gallup region, and how it is impacting the economic development strategy. The region is going through disruptions and transformations in terms of economic development, mainly from energy markets, and is looking at capturing energy assets and to position the assets to leverage the logistical advantages. Mr. Williams updated the STC on projects and phases for economic

development in the Gallup region: Commercial Vehicle Testing Complex, Vehicle Development Complex, Electric/Hydrogen Stations, Foreign Trade Zone, User Fee Airport, and Super Truck Stop/Transportal. Mr. Williams addressed the amounts needed for the projects, and the amount needed from NMDOT is about \$10 million for a Commercial Vehicle Testing Complex, \$6 million for Electric/Hydrogen Stations, and \$1 million for the User Fee Airport.

Mr. Williams discussed transformative projects and transportation priorities in the Gallup area. These projects will help Gallup with safety and economic development and looks forward to working with the Department for these future projects.

Ricky Serna, Cabinet Secretary, NMDOT, asked about the \$10 million infrastructure investment that appears to be vertical construction. Mr. Williams stated that there is a USEDA investment around the strategy and have the budget for horizontal construction and the City and County and other funding sources will have to pay for vertical.

Secretary Serna asked if the transition from diesel to EV to hydrogen is phased out or if the hydrogen hub will be part of early stages in this project. Mr. Williams stated that it has been considered in the early stages. There has been research, and innovation with the labs and New Mexico Tech needs to be worked out. Secretary Serna stated the Department received a \$25 million appropriation for I-40/I-10 and a call for proposals was issued that would allow any local government and tribal entity to submit a request for funding specific to planning and asked from the table, would that be \$1 million or if he could swing further from the fence with the initial request. Mr. Williams stated there was some confusion on where the funding would come from and was going to get clarification for funding of the projects.

### **District Six Update**

Lisa Vega, P.E., District Six Engineer, NMDOT, provided an update (via video recording) regarding District Six, during which she discussed the District's budget, projects and other activities. She discussed House Bill 2, TPF, and LGRF funding and completed and new projects receiving those funds. She also reported on the District's Employee Recognition Program, acknowledged recent award winners, and thanked District Six staff members for their work.

### **Staff Briefings**

### **Secretary's Report**

Ricky Serna, Cabinet Secretary, NMDOT, reported on his transition which has included opportunities to learn roles and responsibilities of each division. Secretary Serna discussed his transition strategy, agency personnel, organizational priorities, local government relations, construction management, legislative affairs, and State Transportation Commission proposed strategies.

Secretary Serna would like to model after District 3 for the Transportation Project Fund project selection process and would like to implement the process for all the Districts.

Chairman Adams asked how to retain employees once they join the Department and would like Secretary Serna to focus on employee retention. Secretary Serna said aside from compensation there needs to be good leadership and wants to be sure there is training for these roles.

Commissioner Lundstrom also asked about employee retention and if the Department is working with pay band adjustments. Secretary Serna mentioned he oversaw the State Personnel Office for many years and would like for HR to be a resource on what tools to use with different scenarios.

Commissioner Chynoweth appreciates the focus on helping the Commission be more effective with their job and role with helping the Department with policies and thanked Secretary Serna for keeping the Commission involved.

Chairman Adams thanked Justin Reese, Deputy Secretary, NMDOT, for his service with the Department and mentioned the Commission would recognize him at the next STC meeting on his retirement.

### **Federal Highway Administration (FHWA) Report**

Cindy Vigue, New Mexico Division Administrator, FHWA, commented regarding funding and grant opportunities and training on how to apply for grants. It was announced that the Department was awarded \$45 million for the Border Connector Project in District 1. Since the application was for mega and rural the Department is in the running for the Mega Grant as well. The National EV Infrastructure (NEVI) plan was approved and now FHWA can obligate electric vehicle infrastructure. Ms. Vigue informed that the Tribes are eligible to apply for Charging and Fueling Infrastructure Grants program and the Tribal Transportation Safety Fund is also available.

### **Finance Reports**

#### **NMDOT Financial Status Update**

Mallery Manzanares, Administrative Services Director, NMDOT, presented the NMDOT financial status update as of August 31, 2022. State Road Fund: To date, NMDOT has received



a total of \$72.8 million in revenue and spent approximately \$125.5 million. NMDOT's FY23 Operating Budget is \$1.7 billion. Restricted Funds: To date, NMDOT has received 7 million in revenue and spent approximately \$6.2 million. NMDOT's FY23 Restricted Budget is approximately \$240 million. Mrs. Manzanares also discussed NMDOT's FY23 cash balances for operating budget funds: Road Fund: \$443.4 million, which represents approximately \$149.9 million growth from August FY21. Restricted Funds: \$122.9 million, which represents approximately \$50 million growth from August FY21. At present, NMDOT's projected FY23 year end fund balances ("savings account" amounts) are: Road Fund: approximately \$35.9 million and Restricted Funds: approximately \$9.5 million.

#### **NMDOT FY24 Budget (Appropriation) Request**

Mallery Manzanares, Administrative Services Director, NMDOT, discussed the July 2022 Road Fund Forecast and State Road Fund and Restricted Funds revenues. She then presented and requested approval of the NMDOT FY24 Budget (Appropriation) Request. The FY24 budget request totals \$1.83 billion, a \$34.6 million decrease from the approved FY23 operating budget. \$35 million was in Fund Balance and will be brought up during the negotiation process during the legislative session. The request is supported by \$640.8 million from State Road Fund revenues, \$97.2 from Restricted Funds Revenues, \$8.3 million from other State agencies (TRD and DFA), and \$534 million from federal sources. The request includes \$763.3 million to the Project Design and Construction Program, \$295 million to the Highway Operations Program, \$49 to the Business Support Program, and \$76.5 million to the Modal Program. Mrs. Manzanares outlined the major

differences between the FY23 and FY24 budget requests, and the particulars of each NMDOT program.

**Chairman Adams asked for a motion to approve the NMDOT FY24 Budget (Appropriation) Request; Commissioner Lundstrom made a motion to so approve; Commissioner Taylor seconded; motion carried unanimously.**

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

Mark Lovato, Managing Director, Investments, NMFA, provided an update regarding NMDOT's investment portfolio funds under NMFA management and NMDOT/NMFA's outstanding bond debt service as of August 31, 2022. During the month of July, NMFA received from NMDOT a debt service set aside payment in the total amount of \$15.9 million. NMFA is currently holding \$32.3 toward NMDOT's debt service. NMDOT's next debt service payment in the total amount of \$22.1 million (for interest only) is due on December 15, 2022. NMDOT has two project fund accounts: \$302.9 million in the 2021A project account and \$6.7 million in the 2014A project account, which together total \$309.6 million. NMDOT has a \$50 million line of credit with Wells Fargo, pursuant to certain agreements with BNSF. The next quarterly commitment fee payment for the line of credit will be due in September.

### **Policy Reports**

**Approval of Proposed Road Transfer Agreement between NMDOT and the City of Las Cruces – NM 188/NM 185**


Trent Doolittle, P.E., District Engineer, District One, NMDOT, presented and requested approval of the proposed Road Transfer Agreement (Agreement) by and between the NMDOT and the City of Las Cruces (City), whereby the NMDOT will transfer ownership and maintenance responsibilities for NM 188/NM 185 (Valley Drive) to the City of Las Cruces. The Agreement releases NMDOT of all responsibility for Valley Drive within the City limits. The subject transfer complies with the provisions of Commission Policy 62, *Additions to and Deletions from the State Highway System* (CP 62). The City has fully executed the Agreement. The STC's approval is required prior to NMDOT's execution of the Agreement. Item was approved by the Commission on September 30, 2021, but the Road Transfer Agreement was inadvertently left out of the original packet.

**Chairman Adams asked for a motion to approve the proposed Road Transfer Agreement by and between the NMDOT and the City of Las Cruces regarding the transfer of ownership and maintenance responsibilities for NM 188/NM 185 (Valley Drive); Commissioner Taylor made a motion to so approve; Commissioner Chynoweth seconded; motion carried unanimously.**

Chairman Adams asked if there was any other business to come before the Commission. Larry Diaz, Cibola County Sheriff candidate, commented on wanting to provide more service to the community and was running for Sheriff to ensure safety on the highways.

## **Adjournment**

Chairman Adams asked for a motion to adjourn the regular meeting at 11:19 a.m.; Commissioner Lundstrom made a motion to adjourn the regular meeting; Commissioner Chynoweth seconded. Motion carried unanimously.



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Chairman

Walter G. Adams

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Secretary

Charles Lundstrom