

Meeting Minutes
Northeast Regional Planning Organization (NERPO)
Clayton Civic Center
Clayton, New Mexico 88415
July 26, 2007
10:00 a.m.

RPO Members Present

Richard Arguello	Union County
Robert Casados	Harding County
Harold Garcia	San Miguel County
Renee Hayoz	Village of Roy
Chuck Howe	Village of Angel Fire
Richard Cordova	Village of Eagle Nest
Shawn Jeffrey	Village of Mosquero
Russell Kear	Union County
Larry Moore	Quay County
Doug Powers	City of Tucumcari
Maxine Rivera	City of Santa Rosa
Jennifer Sparaco	City of Raton
Jess Yeargain	Village of Des Moines

RPO Members Absent

Linda Pavletich	Village of Cimarron
Benito Armijo	Village of Wagon Mound
Manuel Baca	Guadalupe County
Johnny Chavez	Town of Springer
Nora Like	Village of Folsom
Sherman Martin	Village of House
Peter Martinez	Mora County
Anthony Michell	Village of Maxwell
Carlos Ortiz	City of Las Vegas
Leo Pacheco	Village of San Jon
Tony Roybal	Village of Pecos
Mignon Saddoris	Village of Grenville
Edna Sena	Mora County
Larry Wallin	Village of Logan

RPO Staff

Chris Pacheco, EPCOG
Lesah Sedillo, NCNMEDD

NMDOT Staff

Janet Spivey, NMDOT D4

Guest Attendees

Leo Parker , Colfax County
Glenn Boone, Village of Angel Fire
Jessica Smith, Union County Leader
Denise Robertson, EPCOG
Donzil Worthington, Wilson & Company
Garth Boyce, Mayor of Clayton
Joe Mahoney, Dennis Eng. Co
Mark Valenzuela, New Mexico Finance Authority

I. Call to Order

NERPO Chairman Robert Casados called the NERPO Meeting to order at 10:26 A.M.

II. Pledge of Allegiance

Chairman Robert Casados led the Pledge of Allegiance

III. Welcome and Introductions

Conducted by NERPO Vice Chairman, Richard Arguello and Garth Boyce, Mayor of Clayton. Richard welcomed everyone and stated that he asked State Representative, Brian Moore to give the welcome. Mr. Moore is in Santa Fe and could not make it but would like to welcome you to Clayton and buy property here and stay here. Richard wanted to let everyone know that Mike Running could not make it today, he was assigned Jury Duty and wanted you to know why he couldn't make this meeting. Lunch will be served and is sponsored by the Town of Clayton and the Clayton DWI program. Mayor Garth Boyce also welcomed everyone who traveled from the different communities and stated that we need all the roads we can get, and thanked everyone for coming.

IV. Approval of Agenda

Mrs. Renee Hayoz of the Village of Roy made the motion to approve the agenda as submitted. Chuck Howe of the Village of Angel Fire seconded the motion. The motion carried and all voted in favor.

V. Approval of NERPO Meeting Minutes – June 28, 2007

Mr. Harold Garcia of San Miguel County made the motion to approve the minutes and seconded by Larry Moore of Quay County. The motion carried and all voted in favor.

VI. Approval of the Resolution 2007-01 Open Meetings Act

Doug Powers of the City of Tucumcari made the motion to approve the resolution with the correction of the typographical error on number 3, six lines down, the eh should be the. Mr. Harold Garcia of San Miguel County seconded the motion. The motion carried and all voted in favor.

VII. Updates from RPO Planners

Chris Pacheco stated that Denise Robertson filled in for him while he was in Ft Bliss. Denise kept up with everything in the office and is doing a good job. Mr. Pacheco gave kudos to the Union County Road Department for keeping up with the county roads. We came up to Clayton on the county roads due to the 409 bridge closure. Good job on the roads. Our LRP meeting went well last month and had good attendance and good representation.

Mr. Robert Casados stated that he was glad to still have Chris here with us. Mr. Pacheco stated that he is still not sure if he will have to go. He may still receive orders to deploy to the desert. Denise Robertson thanked everyone and stated that it has been great working with everyone. Mr. Harold Garcia asked if there were any updates on the GRIP projects. Chris replied that there are no updates and the latest information was that June contracts were not done yet; no one has been mailed a contract. Ms. Janet Spivey, NMDOT D4 replied that she heard from Heather and the GRIP II letters will be out soon she was not sure what letters but letter will be sent out soon. Lesah Sedillo read aloud the areas that will be in the June 2000 sales: Santa Rosa, Tucumcari, Mora County, Quay County, San Miguel County (twice), Town of Vaughn, Union County. Everyone else was moved to December sale.

She wanted to remind everyone of the Transportation Commission meeting August 16th at the Convention Center in Raton where the old armory was. There is a deadline of August 1st to present or go before the Transportation Commission. We do have Mike Running of the Town of Clayton will be presenting at this meeting. Robert Casados also stated that Christine of Harding County would be on the agenda as well. Lesah wanted to know if NERPO would be interested in showing support or having a thank you at this meeting. Members should receive Agendas.

Lesah: The Citizens Conference for the Long Range Transportation Plan will pay citizens from the area to review the plans that were submitted to ask questions, learn about it and give input from a private point of view. Expert witnesses have been asked and accepted to review the plans Harold Garcia of San Miguel County will be in the Las Vegas area and PJ Maletta Jr. of Raton will be in Raton area to review the plans. Other dates and times will be forwarded on to NERPO members once we receive them.

Lesah Sedillo read aloud the GRIP II thank you letter for the Governor, Secretary, and Commission that was later signed by the NERPO Chairman. Lesah requested that we present the letter to the Commission at the Raton meeting if that was acceptable to everyone. Chairman Robert Casados agreed. Richard Arguello asked to put that on the agenda.

Ms. Janet Spivey, NMDOT D4 announced that Heather Sandoval, NMDOT D4 wanted to remind everyone that she sent out letters for the Local Government Road Fund and has not received any responses. If you don't respond you will not get funded. Heather will talk more about the Road Fund in our next meeting. Also the North East RPO Long Range Plan has been submitted. She thanked everyone that took the time to put it together.

VIII. Approval of Nominations for 2007-2008 Chairperson and Vice-Chairperson

Robert Casados announced that at the last meeting he and Richard Arguello had announced that they would like to stay on as Chairperson and Vice-Chairperson. Robert handed out copies of his resume. There were no more nominations on the floor. Harold Garcia of San Miguel County announced that he was personally satisfied with the two representatives and that NERPO was well represented. Renee Hayoz of the Village of Roy seconded the motion. The motion carried and all voted in favor.

Lesah Sedillo reminded the members to designate their one voting member and alternate per entity. Only those members are allowed to vote. These letters need to be in before the next meeting designating those people.

IX. Discussion of the NERPO Rating/Ranking for PIF's

Robert Casados stated that the ratings were done using this form last February or March in Santa Fe. Chris Pacheco stated that on the Rating sheet #5 Project Lead/ Matching Funds and #7 Current STIP Programmed Projects were areas that needed to be discussed with the members and compare the sheet to the Project Identification Form (PIF). Richard Arguello asked, Doug Powers to give the board his input since he had served as former Chairman for NERPO so long. Doug stated that one thing that comes up every year is when a community submits more than one project. These communities that submit those projects should let us know what they think is the most important project for their community. Lesah Sedillo added that some of the RPO have a limit in their By-Laws, if we wanted to limit the amount of projects in our By-Laws. Chris Pacheco explained that in SERPO they submit only their first priority in each category, enhancement and roadway. Chuck Howe of the Village of Angel Fire suggested putting Match Identified on the sheet, or more points to applications that have money on hand. It takes some time for communities to get this money together and would want to give more points to projects that have money on hand. Robert Casados stated that the smaller communities are not going to have the money on hand, they depend on matches. Chris Pacheco explained the intent for #5 was for Project readiness. The last rating that was done we eliminated #5. Some of the things we need to identify if we were going to use it are; If you have match funds identified, what are you going to use it for. Some of the projects need to do engineering work before the actual project. The funds available are not earmarked for that so maybe we need to identify that as a point. Lesah asked if we should leave the same three criteria or us, no match, match identified, and match secured. It has a lot to do with project readiness and she thinks this part should be part of the

criteria, if you don't have your match your project should not be ranked as high and this should be part of the evaluation? Doug Powers stated that it was hard to have a match if you don't have a project. Doug asked to show hands of the members who would like to take off #5 on the Rating. Seven voters wanted to leave #5 in and three members wanted to keep #5 on the Rating sheet. Richard Arguello asked the three members what was their reasoning to keep #5 on the rate sheet. Shawn Jeffery stated that by the time we apply for the projects we should have a plan in place, we have to work with matching funds. If we are ready and our match is ready and another entity applies just thinking where their match is going to come from, our project should have priority over someone who is not ready. Doug explained the way ratings were done before was quick and simple, as he said before, to limit submitting one project per category and would like to see what the rest of the board has to say on this. Robert Casados and Richard Arguello agree with Doug on having each entity to submit their high priority projects first. Rating Criteria #1 "Traffic Information" had no comments. Chris Pacheco wanted to define #2 "Surface Conditions" a little more on what type of surface conditions. Take pictures and tell us how it drains on the intersections. Rating Criteria #3 "Safety/Accident Information" was dropped on some of the enhancements projects last year because the projects did not involve safety at the time of the rating. Robert noted that District 4 and your county sheriff department could provide accident information. Richard suggested one point instead of 1-5 for this section. Harold Garcia's comment for the rating and ranking criteria should have the 0 to 5 numbers so that we can have a diversity in the numbers to rank as many applications as we have. Lesah stated that we should follow the Federal Safety LU Mandates, the criteria for ranking and rating. Lesah then read Federal Safety Mandates aloud to the members. Lesah then added that the safety should be part of the rating. The applications are going to be ranked and rated again by District 4 and they use the PIF forms and they use the Safety LU factors. Robert Arguello to try to be objective instead of using 0 to 5 maybe we could use: below average, average above average or even high, medium, or low. Chuck Howe suggested we get the application early, using a deadline and go through all of them before to eliminate second thoughts about the projects that get rated first compared to the last application that get rated. Harold Garcia would like to see the Ranking and Rating Sheet match the PIF a little more. Applicants should follow the criteria on the PIF and the applicants need to prove to the board that their project is worthy of being funded. Donzil Worthington an engineer for Wilson & Company has been on both sides of the application process and stated that its like a beauty contest and it all comes down to how they present themselves and what the crowd thinks of the project. Donzils suggestion is to keep the rating as simple as possible because it will come down to which project will be the best project and you end up using a lot of motion playing with the numbers. The simplest you can make it and not make it so complicated with the points. The members suggest making the rating meeting mandatory to make it fair to all the members that make all the meetings and have their applications done in advance. Robert suggested the planners come up with a form based on the comments from the meeting to make this form as simple as possible, compare it to the PIF and use high, medium, and low. Robert would like the board to review the form, after the planners have revised it, before the next meeting.

X. Lunch

Chairman Casados Called a recess for Lunch 11:51 pm

Lunch – Provided by the Town of Clayton and the Clayton DWI program -----

Chairman Casados Called the meeting back into session 12:51 pm

XI. New Mexico Finance Authority (GRIP 2)

Mark F. Valenzuela, Director of NMFA Government Affairs & Legislative Finance

NMFA is a states bond bank that will help pay for legal fees, processing fees and also give subsidize interest rates. They will pay up to 200,000 of issuance cost. Issuance has to be 15 million to actually see the benefit. NMFA has worked closely with schools, water districts, municipalities and counties. To date NMFA has done 2.7 billion dollars of financing of projects out of the State of NM.

NMFA plans are to work with planners and community leaders to achieve vision of capital improvements. NMFA would like to give solutions on how to finance projects from a bonds standpoint.

Construction Standpoint: Numbers received form DOT show an average of 15% increase for materials. The percentage is higher for materials such as steel and cement. Bonding tends to hedge increasing construction material costs. Organizations can borrow money at a low interest rate, lock in, and they won't have to deal the increasing material cost.

Federal Trust fund for high Highways is bankrupt as of 2009 and will impact everyone. Next step would be to find revenue to fund projects.

Bonds Structure: is primarily tax-exempt debt. Is better interest rate? Investors buying bonds are getting a federal credit on purchasing bonds and taking a lower rate of return.

NMFA offer just like home loans, a fixed and variable rate.

How much can one borrow? Each has it's own unique situation. It all depends on how much revenue is in place and how long one is able to take out debt. Ultimately, it depends on what each organization allows to borrow.

NM FINANCE PROSPECTIVE

GRIP (Governor Richardson's Investment Partnership)- a partnership with DOT and NMFA that uses NMFA's financial expertise with DOT's transportation expertise.

DOT used to handle financing through banks such as JP Morgan in NY take money they made off of transaction and they would pay out commission and deposit into a NY account. NMFA took over financing and dealing with these banks and reinvested money into NM and LTIF. Now, DOT could just build and NMFA handle finances.

NMFA will manage for the next 30 years for about 60 million and put the other half into what is known as LTIF (Local Transportation Infrastructure Fund)

LTIF (Local Transportation Infrastructure Fund) Capitalize with 20 million reinvested and NM could borrow from it for the next 30 years or as long as it existed. Incentive would be a

good interest rate and NMFA would cover 25% of project costs in form of grants that would not have to be paid back. Another provision allowed for those whose project was 75% in cash or loans to be able to get the 25% of grants through the LTIF.

GRIP2- requires matches of 10%, 20%, 35%, & 45% anything less then \$500,000.00 requires 10% match. This got passed in the senate and matching percentages were increased. 288 million was the total but only 110 million of the project money goes to local governments. Authorized projects for local governments are up to 18 million but then they have to match and get certified through DOT before being considered for there project to move forward.

If local governments can't meet match NMFA will work to help finance,

How to Access LTIF money:

You don't need another application you use DOT's application. DOT has submitted a certification to NMFA of local projects and on this list DOT identified who has requested LTIF funding and the amounts. If your organization asked for less then \$500,000 NMFA can help out pretty quickly. LTIF cutoff is at \$500,000.00 and NMFA will have to come up with something else to get you to the end goal.

DOT is working on agreements and included in the agreements is a one- page addendum states sources of funding. This will show matches from any other source. This will also identify any commitment from NMFA and will then be submitted and the project will move forward for GRIP 2 project.

Having to deal with NMFA will be very minimized; you don't have to submit an application everything will be taken care of for you.

Lesah Sedillo asked what if a project was done at the last minute and did not designate there match and LTIF on there application and are on the on the second sale. Now they want to request help from the LTIF. If they didn't put it on the application in the beginning can they still get help?

Mark replied: It will depend on a hardship. If you didn't include this on your application you need a statement of hardship and specify LTIF on the addendum. DOT is trying to identify how much money each organization has in place to meet the match. Hardship communities that could not contribute a match, NMFA will try to help out as best as they can and will be helped first. NMFA will contribute up to \$500,000 from LTIF of the match but we will be the last resource after everyone else. First Work with DOT, put your money in from any source, then NMFA will try and assist to fill that gap.

Lesah Sedillo asked about the truly hard ship cases that did not submit an application because of the high match. DOT is going to have another call for applications at a later date. Will there still be enough funding to help these entities?

That was a tough question to answer. I've seen the spread sheet and every bit of the GRIP money has been spent GRIP has the 25 million general fund, they have just issued 50 million through severance tax and they are going to issue another 20 million in December. If every one of those projects on that spreadsheet comes through the money has been spent. DOT is hoping to take the remaining projects and ask for more support from the Legislature so that they can fulfill that last end of what is authorized under law for GRIP II. If your not part of that first list, we are going to have to go to the Legislature to finish GRIP II.

Doug Powers asked Mark if they would be able to get help if we did not submit for LTIF.

Mark replied; he is sure that Doug's project is on the first round and NMFA will cover that just make sure that when you go through with your grant agreement make sure you highlight that there is a certain amount coming from LTIF.

Robert Casados, inquired about Village of Mosquero and Roy for the December sale. Mark noted that Mosquero and Roy are requesting \$200,000.00.

NMFA has been asked is if your one of those applicants that came in under the previous match and the Senate increased that match. You are asking NMFA for that difference. That is what NMFA wants to do because it created a new gap and NMFA be the last money in and they want to come in and invest.

Harold Garcia asked if a phase project has full GRIP funding project and we want to get further on the project. Can we contact NMFA for assistance or is it only for match? Marks' reply was that it is only for match. NMFA will not do anything more than \$500,000.000 so if you asking for more than that than NMFA will help you with some kind of loan. We will not fund you over and above what your match would be or what we are able to do with the \$500,000.000.

If you didn't identify LTIF when you first put in your GRIP II application and you are going to. Contact me immediately. DOT is already putting together the legal agreements on all the funding. Let me know so you will not be forgotten.

*Contact Information:
(505) 231-4877*

XII. New Business

A. General comments and Announcements from NERPO members

Chairman Robert Casados would like to adopt the pledge to the New Mexico flag after the pledge to the United States Flag. Robert will bring a copy of the pledge and the history of what it represents to the next meeting. Lesah will put the pledge on our web site.

Hector Garcia wanted to give thanks for the good food that was served. Richard Arguello stated that Brian Moore and his wife prepared the chicken.

Richard and Robert gave suggestions for detours that the members can take on their way home due to the 402-bridge closer.

Chuck Howe is running for the Board of Directors for the State Municipal League and would like your support.

B. Suggested agenda items for upcoming meetings

- **ICIP Training from NCNMEDD**
ICIP is Due August 31, 2007

- Election of 2007- 2008 NERPO officers
- Approval of the amendments to the NERPO By-Laws
- Approval of the Rating/Ranking Form
- Discussion of meetings change to every two months/By-Laws
- Safe Routes to School guest speaker

C. Meeting Location Amendments

The scheduled August meeting (August 30th) will be changed due to the New Mexico Municipal League having there meeting on that date.

Next Meeting will be in Raton on August 15, 2007 the afternoon before the New Mexico Municipal League. Jennifer Sparaco City of Raton volunteered to set up that meeting. Lesah reminded everyone we need to secure locations for the meetings in October and November The 12th Annual NM Infrastructure Conference is in October 23rd to 25th in Albuquerque at the Sandia Resort & Casino. Doug Powers stated the he and Richard Primrose on behalf of Quay County and Tucumcari would like to hosting a meeting when needed to let them know. Chairman Casados stated that Logan has not responded back to him at this time. Richard will check with Logan again. Eagle Nest also expressed interest in hosting a meeting and would get back with Richard.

Lesah announced that the Colfax County Commission volunteered to schedule the September 27th meeting at the UU/Bar. The owner of the bar was pleased with the pictures that represented the bar on our web site. The members asked if lodging would be available at the UU bar. Lesah will get back to the members on the lodging.

XIII. Adjournment

Doug Powers made the motion to Adjourn. Jennifer Sparaco seconded the motion. The motion carried and all voted in favor.

Meeting adjourned at 2:20pm