

NMDOT

Transportation Project Fund and Local Government Road Fund

NMDOT Project Oversight Division

Clarissa Martinez, NMDOT State Grants Manager
Clarissa.Martinez@dot.nm.gov
505-699-9946

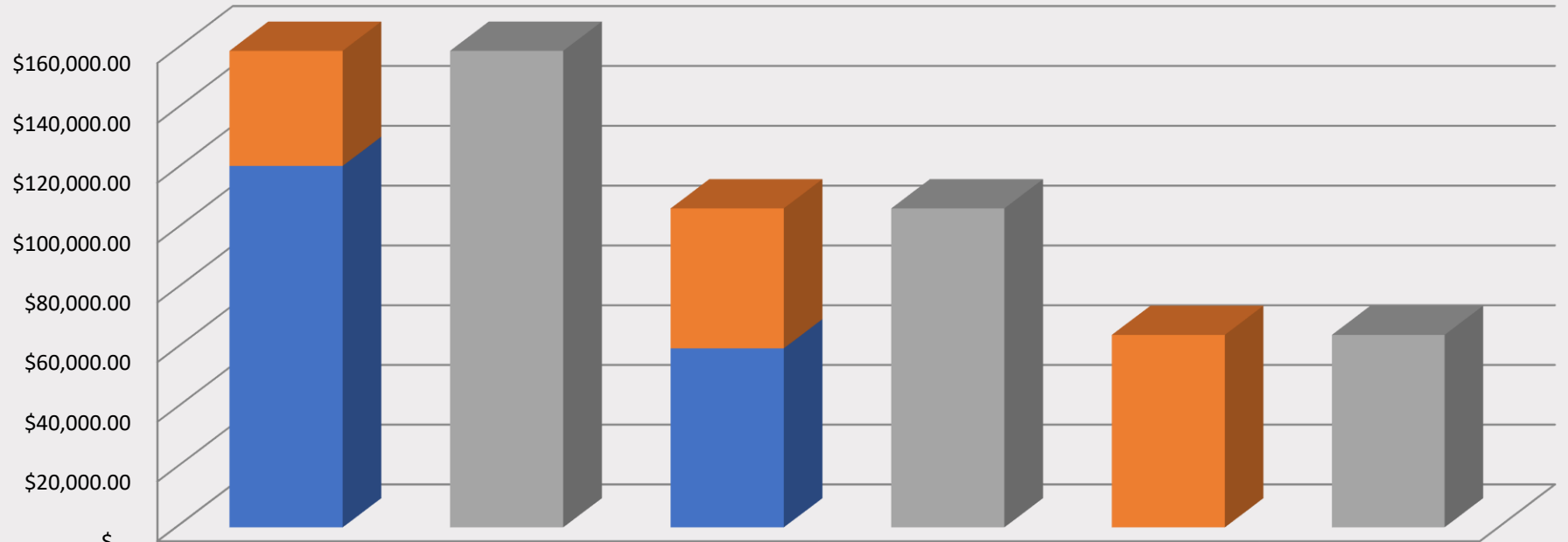


Transportation Project Fund History

- New Mexico Legislature 2019
 - Passed HB 694 to create the Local Government Transportation Project Fund (LGTPF)
 - State Funding
 - 95% State Match
 - 5% Local Entity Match
- Eligible projects include environmental and other studies, planning, design, construction and acquisition of rights of way necessary for the development of transportation infrastructure, and includes highways, streets, roadways, bridges, crossing structures, parking facilities, including all areas for vehicular, transit, bicycle or pedestrian use for travel, ingress, egress and parking.
- New Mexico Legislature 2020
 - Passed HB 207 shortened to Transportation Project Fund (TPF)
 - Included language that Tribes/Pueblos are allowed funding through TPF
- New Mexico Legislature 2021
 - Passed SB 20 making the TPF program a recurring fund

TPF Funding Amounts

TPF Funding Breakout



	2022		2023		2024	
	Programs	Budget	Programs	Budget	Programs	Budget
■ Budget		\$159,466.00		\$106,820.00		\$64,500.00
■ TPF Funds	\$38,466.00		\$46,820.00		\$64,500.00	
■ HB2 General Fund	\$121,000.00		\$60,000.00		\$-	

Call for Projects

- January - Call for Projects letter sent to all Metropolitan Planning Organizations (MPO) and Regional Transportation Planning Organizations (RTPO).
- Local Entities must submit their applications to their MPO/RTPO for review and ranking.
- MPO/RTPO's will meet with NMDOT staff to review applications and obtain any require signatures.
- After MPO/RTPO and NMDOT review MPO/RTPO will upload final applications to NMDOT's FTP sever.
 - <https://grader.dot.nm.gov/public/folder/cbb8VMT8YUqIBbAv0RWeWQ/FY25>
5 TPF Applications
- Deadline to submit application is May 31st of each year by 5 pm.
- The amount of funding for FY24 was 64 million. In the future it is anticipated to be 40 million per year.

Application Packet

- Application packets should include the following:
 - Cover letter including:
 - brief overview of project;
 - whether grantee intends to apply for match waiver;
 - the timeframe in which grantee is prepared to spend the grant funds, if received;
 - verification that funding requested will be enough to complete the phase of work submitted
 - whether the project falls into category (a) or (b):

Application Packets Cont.

- A) Project is located on or within locally-owned right-of-way and the project does not include federal funds; or
- B) Project is located within or on NMDOT owned right-of-way or is an NHS route and/or may include federal funds(only if continuation of a 2019 TPF project).

Application Packet Cont.

- Project must fall into one or more of the following categories
 - Environmental and other studies
 - Planning
 - Design
 - Construction
 - Acquisition of rights of way
- Please be sure to clearly identify the phase of work the funding will be used for (i.e. planning, design, construction, etc.).

Application Packet Cont.

- Project Feasibility Form (PFF) signed by District Engineer.
- Resolution of Sponsorship from their governing body, indicating the availability of the 5% match.
 - Alternatively, the grantee may submit an official letter signed by the potential grantee's chief executive or official with budget authority, indicating the availability of the 5% match.
- Map of project location including mile posts.
- **Required if local entity does not own the right of way;** A letter of support or letter of authorization from owners of the project right-of-way or NMDOT District if the project is within NMDOT right-of-way.

Letter of Approval vs Letter of Authorization

- "Letter of approval" - a document issued by the district engineer that authorizes an entity to proceed with a project that:
 - is located in full or in part within a department ROW or NHS route
 - ties into or crosses a department ROW or an NHS route
 - may have an effect on existing improvements within department ROW
- A separate project agreement is NOT required for a project that receives a letter of approval.
- "Letter of authorization" - a document issued by a district engineer that authorizes an eligible entity to proceed with seeking funding for a project that will require additional requirements from NMDOT and:
 - is located in full or in part within a department ROW or NHS route
 - ties into or crosses a department ROW or an NHS route
 - may have an effect on existing improvements within department ROW
- A letter of authorization is a conditional approval of a project. Final approval shall be given by a project agreement.

Project Review Process

- Once all applications are received, they will be logged into a spreadsheet and sent to the NMDOT District Engineers for review and ranking/recommendations.
- NMDOT District Engineer submit their recommendations back to the Project Oversight Division.
- The Project Oversight Division compiles the District Recommendations and submitted to the NMDOT Cabinet Secretary for final recommendations.

Project Approval

- NMDOT Cabinet Secretary submits the final recommendations to the State Transportation Commission by August 1.
- Projects are presented to the State Transportation Commission for approval at a special meeting in mid to late August.
- Local Entity receives notification of State Transportation Commission's approval/denial from NMDOT in early September.

Agreement Signature Process

- Agreements are drafted by the Project Oversight Division and sent to the District Coordinators for coordination of signatures.
- Once signed, the Local Entity must submit the agreement, including resolution, to the District Coordinator.
- District Coordinator will submit the agreement packet to the Project Oversight Division where the agreements are executed by the Cabinet Secretary.
- Once executed by the Cabinet Secretary, the funding on your award will be encumbered.
- **All Agreements Must Be Fully Executed by November 30th.**
- **NO WORK can begin before a fully executed agreement is in place.**

Match Waiver Applications

- The Match Waiver program authorizes the Department to distribute funding to entities that can demonstrate financial hardship, to cover the required 5% match fund requirement.
- Financial hardship is determined by a financial analysis preformed by the Department of Finance and Administration.
 - Tribal Entities will need to provide the following documents for review since DFA cannot preform the financial analysis:
 - Profit and loss statement
 - Recent financial statement or report
 - Copies of any bank statements that would demonstrate hardship
- The District LGRF Coordinator can provide you with a sample resolution and letter of intent to assist you in applying for the Match Waiver program.
- **Match Waiver applications should be submitted to the Project Oversight Division by September 30.**

Match Waiver Approval/Amendments

- NMDOT reviews financial analysis from the Department of Finance and Administration/documents provided by the Tribal Entity and presents recommended projects for approval to the State Transportation Commission.
- Local Entity receives notification of State Transportation Commission's approval/denial from NMDOT.
- Amendments will be drafted and sent to the Entity for signature. When the District Coordinator receives the amendments signed by the Entity, they will submit the amendment package to the Project Oversight Division for execution.
- Once Executed, Match Waiver funds will be added to the encumbrance.

Disbursements

- The TPF program is a “Disbursement” program, not a “Reimbursement” program so funds can be requested and disbursed before work has been completed.
- Ask for your disbursement of funds as soon as the Notice of Award and Notice to Proceed have been issued to all parties.



FAQ's

- **What is the definition of "Shovel Ready"?**
 - Shovel Ready is defined as- the project is advertisement ready, regardless of the phase the funding is being applied for.
- **Does a project have to be on an RTIPR to be eligible for funding?**
 - No, projects do not have to be on an RTIPR to be submitted for consideration. However, if a project is on the RTIPR local entities must ensure that no federal funds have or will be used on the project. If a project does have federal funds, it will need to be de-federalized to be eligible for TPF funding.
- **Can an application be submitted with the same scope of work as a project that has already been awarded federal funding?**
 - No, the scope of work being submitted cannot be identical to a federally funded project. Per the final rule, federal funds may not be used as part of a TPF funded project.
- **Is drainage work an allowed expense?**
 - Yes, as long as the drainage work is part of an overall project it is eligible. The drainage work cannot be a standalone project.
- **Is utility work an allowed expense?**
 - Yes, if the utility work is required to mitigate the impacts of the proposed construction. A standalone project or upgrading of utilities will not be eligible for this grant funding. This work can be added to the project provided it is paid for with another local or state funding source.
- **Can soft match or in-kind be used to cover the 5% match?**
 - No. Allowing a local entity to use "non-cash" contributions as its 5% match would require more oversight on the part of the NMDOT, such as requiring documentation to establish the value of the services, etc. The purpose of this funding is to provide less oversight from NMDOT.

NMDOT

Local Government Road Fund



Local Government Road Fund

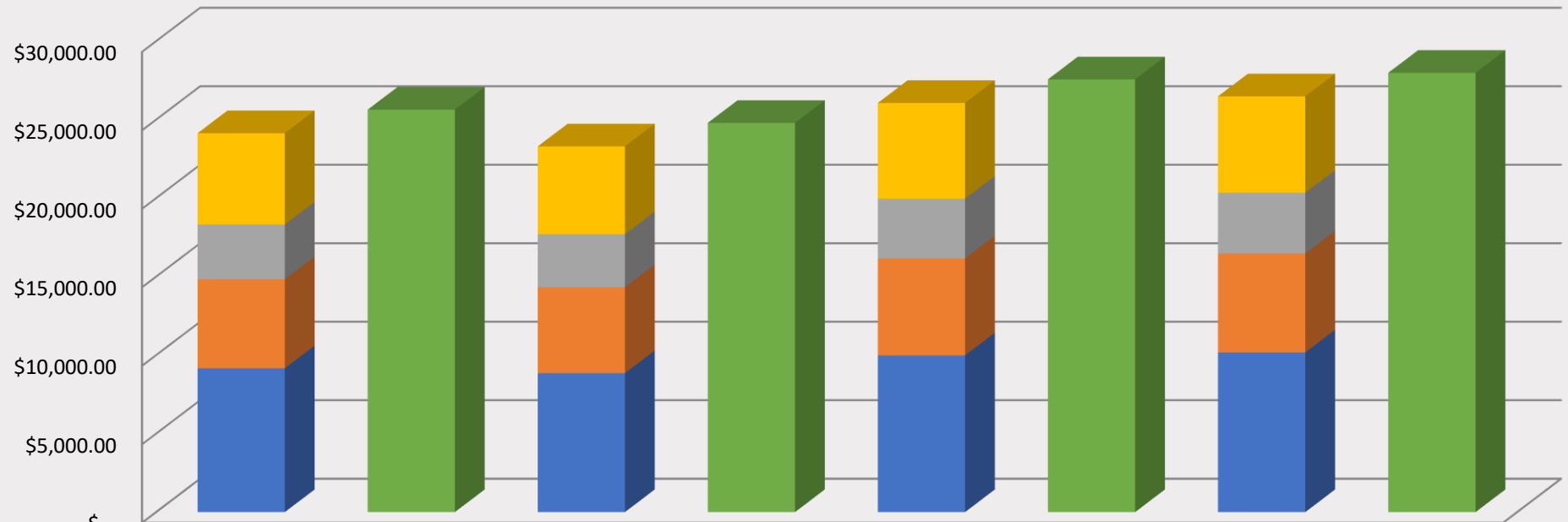
- Created to provide funds to Local Governments for projects where Local Entities take the lead in developing and contracting construction and maintenance projects.
- Funding used for project development, construction, reconstruction, improvement, maintenance or repair of public highways, streets and public-school parking lots, acquisition of right-of-way, and in place material for construction or improvement.
- State Funding
 - 75% State Match
 - 25% Local Entity Match

LGRF Funding Types

- **Cooperative Program - COOP**
 - **42% of LGRF funds**
 - Counties, Municipalities, School Districts, Universities and Tribal
 - 18-Month Project Timeframe-Agreement Terminates December 31st.
- **County Arterial Program - CAP**
 - **26% of LGRF funds**
 - Counties Only - (Funding based on road miles maintained)
 - 18-Month Project Timeframe-Agreement Terminates December 31st.
- **School Bus Route Program - SB**
 - **16% of LGRF funds**
 - Counties Only
 - 18-Month Project Timeframe-Agreement Terminates December 31st.
- **Municipal Arterial Program - MAP**
 - **16% of LGRF funds**
 - Municipalities Only
 - 24-Month Project Timeframe-Agreement Terminates June 30th.

LGRF Funding Amounts

LGRF Funding Breakout



	Programs	Budget	Programs	Budget	Programs	Budget	Programs	Budget
	2021		2022		2023		2024	
■ Budget		\$25,632.00		\$24,790.00		\$27,560.00		\$27,978.00
■ MAP (16%)	\$5,820.00		\$5,600.00		\$6,106.00		\$6,142.00	
■ SBR (16%)	\$3,488.00		\$3,370.00		\$3,801.00		\$3,874.00	
■ CAP (26%)	\$5,668.00		\$5,476.00		\$6,176.00		\$6,295.00	
■ Coop (42%)	\$9,156.00		\$8,845.00		\$9,977.00		\$10,168.00	

Call for Projects (Dec-Jan)

- NMDOT District Coordinators will send out a letter to Local Entities asking for their project proposals for the new LGRF year for Coop, CAP and SB projects.
- The letter should include a copy of the **Project Tracking Guide**, along with samples of the **Project Proposal Letter** and the **Preliminary Cost Estimate**.
- Project Proposals are due by March 15th. Incomplete proposals or late proposals will be returned for resubmittal next year.

Municipal Arterial Program (MAP)

- The Call for Projects comes from State Grants Manager in Santa Fe.
- Your complete project proposal requires more information, multiple copies and is submitted directly to State Grants Manager in Santa Fe.
- If your project is awarded, you will begin working with the NMDOT District Local Government Road Fund Coordinator during the Agreement signature process.
- Certification of the Pre-Construction Contract Phase (Certification No. 1) is due to be submitted to District LGRF Coordinator no later than June 30th of the year following the award of your project.

Submitting Project Proposals (Coop, CAP and SB)

- Local Entities should submit a complete project proposal addressed to their NMDOT District Engineer. The proposals must be received in the District Office before the March 15th deadline. The proposal should include:
 - Letter of intent from governing body or agency head. Must list scope, termini & reference estimated project cost.**
 - Location of proposed project including route designation & termini - include a map showing the location.**
 - Scope of work to be performed.**
 - Project estimate, including the amount of State participation requested.**
 - Justification for project construction.**
 - Certification that proposed work is on a public highway and necessary for the public good and convenience and to serve the public of the municipality, county and/or school district.**

Submitting Project Proposals (MAP)

- Local Entities should submit a complete project proposal addressed to the State Grants Manager in Santa Fe by March 15th. The proposal should include:
 - Map of project limits (including proposed phasing).**
 - Current and 20-year projected traffic volumes.**
 - Pavement design criteria (10-year min.).**
 - Typical section.**
 - Major intersection & traffic signal analysis.**
 - Drainage reports.**
 - Preliminary cost estimate (include State share & Municipality share).**
 - Local Government resolution of support for the project.**
 - Project data sheet summarizing existing & proposed project information.**
- State Grants Manager
 - Clarissa Martinez, NMDOT Project Oversight Division

Budget Recommendations (March-April)

Coop, CAP, SB

- Based on available funding District Coordinators prepare budget recommendations for the current LGRF year.

MAP

- State Grants Manager sends a copy of the MAP applications to each district and asks for their recommendation.
- Budget recommendations due back to State Grants Manager by April 15th.

State Transportation Commission (STC) Approval/Agreements (May/June)

- NMDOT presents projects for State Transportation Commission's approval/denial. (May)
- Local Entity receives notification of State Transportation Commission's approval/denial from NMDOT. (May)
- District Coordinators begin drafting agreements and distributing to Local Entities for coordination of signatures. (June)

Agreement Signature Process (June – October)

- When the District Coordinator receives the agreements including resolutions signed by the Entity, they submit the agreement packet to Santa Fe where the agreements are executed by the Cabinet Secretary.
- Once executed by the Cabinet Secretary, the funding on your award will be encumbered.
- **All Agreements Must Be Fully Executed no later than October 31st.**
- **NO WORK can begin before a fully executed agreement is in place.**



Match Waiver Applications (June-July)

- The Match Waiver program authorizes the Department to distribute up to one million dollars of LGRF money, to entities that can demonstrate financial hardship, for use as all or a portion of their 25% match fund requirement.
 - Municipalities (SP or MAP awards)
 - Counties (CAP & SP awards only)
- Financial hardship is determined by a financial analysis preformed by the Department of Finance and Administration.
- Matching funds will not be waived for more than one project per entity, except for counties which would be eligible for one cooperative project and one county arterial project.
- The District LGRF Coordinator can provide you with a sample resolution and letter of intent to assist you in applying for the Match Waiver program.
- **Match Waiver applications should be submitted to Santa Fe by July 31.**

Match Waiver Approval/Amendments (September)

- NMDOT reviews financial analysis from the Department of Finance and Administration and presents recommended projects for approval to the State Transportation Commission.
- Local Entity receives notification of State Transportation Commission's approval/denial from NMDOT.
- District Coordinator will draft original amendments and send to the Entity for signature. When the District Coordinator receives the amendments signed by the Entity, they will submit the amendment package to Santa Fe for execution.
- Once Executed, Match Waiver funds will be added to the Purchase Order.

Disbursements

- LGRF is a “Disbursement” program, not a “Reimbursement” program so funds can be requested and disbursed before work has been completed
- Ask for your disbursement of funds as soon as the Notice of Award and Notice to Proceed have been issued to all parties.



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Questions?

