

Transportation Project Fund

NMDOT Project Oversight Division

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Transportation Project Fund

- 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

Call for Projects

- January - Call for Projects letter sent to all Metropolitan Planning Organizations (MPO) and Rural 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.
- Deadline to submit application is May 31, 2022 by 5 pm.
- The estimated amount of funding for FY23 is 106 million. In the future it is anticipated to be 40 million per year.

Application Packets

- 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 Packet 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 from owners of the project right-of-way or NMDOT District if the project is within NMDOT right-of-way.

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 Committee by August 1.
- Projects are presented to the State Transportation Committee 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 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 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 Santa Fe 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 Santa Fe 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

- **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.



Questions?