

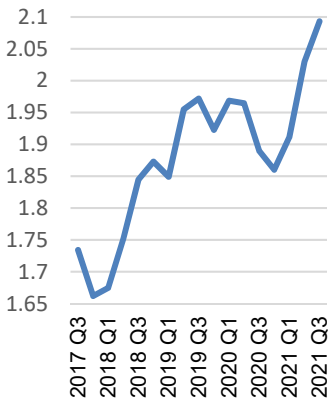
PERFORMANCE REPORT CARD

Department of Transportation
Third Quarter, Fiscal Year 2022

ACTION PLAN

Submitted by agency?	Yes
Timeline assigned?	No
Responsibility assigned?	No

National Highway Construction Cost Index



Source: Federal Highway Administration

Economic data shows construction costs increasing significantly in calendar year 2021, including road construction costs. Preliminary data from the Federal Highway Administration shows a 10.9 percent year-over-year increase in road construction costs nationally.

In recent years, the Legislature has made significant nonrecurring appropriations to the Department of Transportation (DOT) for road construction and maintenance in response to deteriorating road conditions as pavements age and maintenance funding is insufficient to maintain or improve the condition of the transportation network. DOT has done well managing projects as illustrated in the department's consistent ability to complete projects on-time and on-budget. The supplemental performance information, attached to this report, includes additional information on the significant nonrecurring investments made by the Legislature.

Project Design and Construction

To judge the performance of the department's project planning and execution, measures covering the ability of the department to plan and complete projects on-time and within budget are tracked. The department has significantly improved its ability to put projects out to bid as scheduled. Of the 34 projects year-to-date, the department has put 33 out to bid as scheduled, improving significantly from prior year performance. Although construction costs continue to climb, cost overruns remain below the target of 3 percent; with construction projects closing in the third quarter over budget by \$1.8 million.

Decreases in the number of projects completed on schedule are of note, particularly due to the significant resources made available to the department for projects. Global supply chain issues and increases in the number of construction projects generally may pose operational challenges for the department.

	FY20 Actual	FY21 Actual	FY22 Target	FY22 Q1	FY22 Q2	FY22 Q3	Rating
Budget: \$613,837.9 FTE: 368							
Projects put out for bid as scheduled	75%	77%	67%	100%	93%	100%	G
Projects completed according to schedule	92%	94%	88%	100%	88%	77%	Y
Final cost-over-bid amount on highway construction projects	1%	1.8%	3.0%	-0.3%	1.9%	1.2%	G
Program Rating	G	G					G

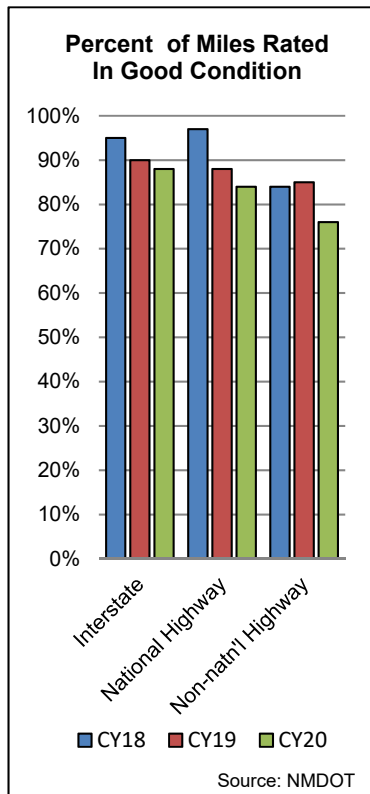
Highway Operations

Maintenance activity typically slows during the third quarter, as road crews transition to cold-weather operations; however, the department is on track to substantially surpass the FY22 target for roadway preservation. Overall, the number of bridges rated in poor condition remains below target; in future years the department will have access to additional federal and state funds to remediate the 4 percent of bridges currently listed in poor condition.

	FY20 Actual	FY21 Actual	FY22 Target	FY22 Q1	FY22 Q2	FY22 Q3	Rating
Budget: \$250,882.6 FTE: 1,859.7							
Statewide pavement miles preserved	3,970	3,852	3,000	2,031	1,304	205	G
Bridges in fair condition or better, based on deck area	96%	96%	90%	96%	96%	96%	G
Program Rating	G	G					G

PERFORMANCE REPORT CARD

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DOT assesses all New Mexico roads each calendar year using a Pavement Condition Rating (PCR) score to measure roadway condition. For calendar year 2020, road condition data show New Mexico roadways deteriorated significantly from the prior year with lane miles in deficient condition increasing 54 percent year-over-year. Calendar year 2021 data will not be available until May 2022.

A PCR score of 45 or less indicates a road in poor condition. In 2020, the average PCR score for the state was 54.9, down from 57.4 the prior year. The annual decline of 2.5 shows that funding was insufficient to maintain, let alone improve, the condition of New Mexico roadways. Additionally, because there are so many lane miles in fair condition with PCR scores less than 50, it is likely that, without significant investment, lane miles in poor condition will continue to see rapid growth.

Between 2016 and 2020, the proportion of roadways in poor condition increased from 17.4 percent to 23.8 percent. However, road conditions vary significantly by district; in 2020, district 2 had the worst average condition with 28 percent of roads in poor condition while district 6 had the best condition with 10.2 percent of roads in poor condition.

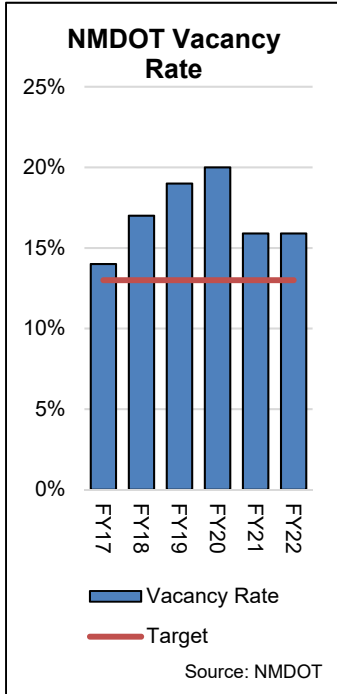
CY20 Road Condition Survey	CY17 Actual	CY18 Actual	CY19 Actual	CY20 Target	CY20 Actual	Rating
Interstate miles rated fair or better	93%	95%	90%	>90%	88%	Y
National highway system miles rated fair or better	89%	97%	88%	>86%	84%	Y
Non-national highway system miles rated fair or better	79%	84%	85%	>75%	76%	G
Lane miles in poor condition	4,606	3,783	4,420	<5,425	6,805	R
Program Rating	G	G	G			Y

Modal

Nationwide, traffic fatalities have increased, with federal data indicating more traffic fatalities in 2021 than in any year since 2005. NMDOT data reflects this increase. Total fatalities are on track to surpass FY21, possibly related to increasing traffic. Data indicates alcohol-related fatalities are down. Pedestrian fatalities and unbelted fatalities remain persistently high. Park and ride and rail runner service was curtailed as a result of stay at home orders and remote work for state agencies. Despite decreased remote work for state agencies, usage remains significantly lower than historic levels.

Budget: \$77,875.2	FTE: 126	FY20 Actual	FY21 Actual	FY22 Target	FY22 Q1	FY22 Q2	FY22 Q3	Rating
Traffic fatalities		424	411	<357	140	117	106	R
Alcohol-related traffic fatalities		176	113	<125	22	15	24	G
Non-alcohol-related traffic fatalities		248	298	<232	118	102	82	R
Occupants not wearing seatbelts in traffic fatalities		158	171	<133	60	46	40	R
Pedestrian fatalities		83	76	<72	29	31	27	R
Riders on park and ride, in thousands		175	53.6	235	22.3	22.3	26.1	R
Riders on rail runner, in thousands*		516	40.9	N/A	70.9	72.4	69.8	
Program Rating		R	R					R

*Measure is classified as explanatory and does not have a target.



Program Support

The department received exemptions from the statewide hiring freeze and has maintained a stable staffing rate even as vacancy rates across the state increase. The department is on track to experience fewer than 90 injuries and fewer than 35 injuries in work zones. The department notes injuries resulted in no lost days of work.

The department did not report a vacancy rate for the third quarter, but data from the State Personnel Office in April suggests a vacancy rate of about 18 percent.

	Budget: \$43,856.7	FTE: 252.8	FY20 Actual	FY21 Actual	FY22 Target	FY22 Q1	FY22 Q2	FY22 Q3	Rating
Vacancy rate in all programs			20.4%	15.9%	13.0%	15.8%	15.9%	NR	R
Employee injuries			54	35	90	19	5	17	G
Percent of invoices paid within 30 days			93%	93%	90%	93%	93%	93%	G
Employee injuries occurring in work zones			13	11	35	10	2	3	G
Program Rating			G	G					G

Department of Transportation Special Appropriations

In the third quarter NMDOT expended \$42 million from special transportation appropriations, with just over half of appropriations made before the end of FY21 spent. However, less than half of 2019 appropriations for major investments has been spent, though the department did encumber funds for the final project midway through Q4, which is not reflected on this sheet. The department was given 5 years to spend these funds, which will revert at the end of FY24. A list of select major investment projects and project status is attached.

The department has yet to commit funds appropriated for road projects during the December 2021 special session, but expects to do so in July. The department did commit funds for purchasing electric vehicle charging infrastructure. Recently, the department awarded \$7.3 million for essential air service grants, not shown on the table below. Department staff indicate the two grant recipients—airports in Las Cruces and Gallup—can begin drawing those funds in the fourth quarter.

Special Transportation Appropriations, 2019 to 2022 Expenditures and Encumbrances through March 2022

Year	Type	Appropriation	Expended	Encumbered	Spent in Q3	Percent Expended	Reversion Date
2019	for state roads, MIPS	\$175,000,000	\$79,624,865	\$57,235,856	\$6,641,271	45%	6/30/2024
2019	for state roads, maintenance	\$100,000,000	\$94,362,345	\$4,748,358	\$184,081	94%	6/30/2024
2019	for local roads	\$50,000,000	\$45,676,564	\$2,974,523	\$1,701,804	91%	6/30/2024
	Subtotal: 2019	\$325,000,000	\$219,663,775	\$64,958,737	\$8,527,156	68%	6/30/2024
2020	for state roads, maintenance/MIPS	\$135,000,000	\$123,792,377	\$8,817,335	\$3,086,271	92%	6/30/2023
	Subtotal: 2020	\$135,000,000	\$123,792,377	\$8,817,335	\$3,086,271	92%	6/30/2023
2021	for state roads, MIPS	\$170,000,000	\$32,764,115	\$28,022,391	\$13,288,500	19%	6/30/2025
2021	for local roads	\$121,000,000	\$18,748,726	\$102,251,274	\$17,363,414	15%	6/30/2025
2021	for essential air service ¹	\$9,000,000	\$0	\$0	\$0	0%	
	Subtotal: 2021	\$300,000,000	\$51,512,841	\$130,273,664	\$30,651,914	17%	6/30/2025
2021 Sp.	for state roads, MIPS	\$142,500,000	\$0	\$0	\$0	0%	6/30/2025
2021 Sp.	for roadw ay beautification	\$10,000,000	\$0	\$0	\$0	0%	6/30/2025
2021 Sp.	for regional airports	\$10,000,000	\$0	\$0	\$0	0%	6/30/2025
2021 Sp.	for electric vehicle charging	\$10,000,000	\$0	\$1,498,294	\$0	0%	6/30/2025
	Subtotal: 2021 Special	\$172,500,000	\$0	\$1,498,294	\$0	0%	6/30/2025
2022	for state roads, MIPS	\$247,500,000	\$0	\$0	N/A	0%	6/30/2025
2022	for I-40/I-10 Planning	\$25,000,000	\$0	\$0	N/A	0%	6/30/2025
2022	for regional airports	\$5,000,000	\$0	\$0	N/A	0%	6/30/2025
2022	for equipment/district offices	\$9,000,000	\$0	\$0	N/A	0%	6/30/2025
2022	for the transportation project fund	\$60,000,000	\$0	\$0	N/A	0%	6/30/2025
2022	for rest area improvements	\$20,000,000	\$0	\$0	N/A	0%	6/30/2025
2022	for essential air service	\$5,000,000	\$0	\$0	N/A	0%	6/30/2025
2022	for w ildlife corridors	\$2,000,000	\$0	\$0	N/A	0%	6/30/2025
	Subtotal: 2022	\$373,500,000	\$0	\$0	\$0	0%	6/30/2025

¹NMDOT awarded \$3.8 million to the City of Gallup and \$3.5 million to Dona Ana County, but these funds were not encumbered until Q4.

Department of Transportation Major Investment Projects Status Report, Q3 2022

District	Road	Project and Location	Status Note	Amount Expended	Amount Encumbered	Total
1	I-10	Lordsburg Bridge Replacement	Contractor is finalizing project.	\$7,267,801	\$4,301,492	\$11,569,293

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Letting Date: 12/18/2020
Completion: 11/9/2022

Expenses by Quarter		Statewide Transportation Improvement Program Estimates	
FY21 Q4	\$1,863,827	GAA Section 9 (2019)	\$4,000,000
FY22 Q1	\$1,847,897	Federal Funds	\$2,915,883
FY22 Q2	\$2,178,000	Road Fund	\$706,536
FY22 Q3	\$1,378,077	Total Cost Estimate	\$7,622,419
		GAA Section 9 (2020)	\$4,413,837

1	NM-404	Bridge replacement at I-10 interchange	Project delay from March completion estimate; under partial suspension while correct action plans put in place	\$13,357,783	\$7,717,627	\$21,075,410
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Letting Date: 8/21/2020
Completion: 8/30/2022

Expenses by Quarter		Statewide Transportation Improvement Program Estimates	
FY21 Q4	\$4,935,284	GAA Section 9 (2019)	\$9,100,000
FY22 Q1	\$2,517,795	Federal Funds	\$8,529,651
FY22 Q2	\$2,887,994	State Road Fund	\$1,461,700
FY22 Q3	\$2,744,713	Total Cost Estimate	\$19,091,351

2	US-285	US-285 Corridor, Phase 1	Project is under construction and progressing, however, estimated completion date is not available	\$24,460,996	\$24,008,234	\$48,469,230
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Letting Date: 4/24/2020
Completion: Not Reported

Expenses by Quarter		Statewide Transportation Improvement Program Estimates	
FY21 Q4	\$7,819,846	GAA Section 9 (2019)	\$42,934,243
FY22 Q1	\$1,851,590	Total Cost Estimate	\$42,934,243
FY22 Q2	\$2,307,657		
FY22 Q3	\$2,338,641		

3	I-25	Los Lunas Corridor, I-25 Interchange and E-W Corridor from I-25 to NM-47	NMDOT reports a local lead agreement has been executed; construction expected to begin this spring.	\$1,676,740	\$7,677,669	\$9,354,409
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Lead Agency: Village of Los Lunas

Expenses by Quarter		Statewide Transportation Improvement Program Estimates	
FY21 Q4	\$0	GAA Section 9 (2019)	\$5,000,000
FY22 Q1	\$0	GAA Section 9 (2021)	\$15,200,000
FY22 Q2	\$941,908	Local Funds	\$20,436,427
FY22 Q3	\$529,314	Federal Fund	\$118,517,050
		Total Cost Estimate	\$159,153,477

Department of Transportation Major Investment Projects Status Report, Q3 2022

District	Road	Project and Location	Status Note	Amount Expended	Amount Encumbered	Total
4	NM-39	Pavement rehabilitation north of Logan	Projects funds encumbered after close of quarter (May 2022); costs now estimated at \$24.4 million	\$0	\$0	\$0
R	Letting Date: 3/18/2022 Completion: Not Reported	Expenses by Quarter		Statewide Transportation Improvement Program Estimates		
		FY21 Q4	\$0	GAA Section 9 (2019) \$21,000,000		
		FY22 Q1	\$0	State Road Fund \$132,539		
		FY22 Q2	\$0	Federal Funds \$777,753		
		FY22 Q3	\$0	Total Cost Estimate \$21,910,292		
4	US-54	Reconstruction and Rehabilitation, East side of Tucumcari	Project is under construction, scheduled completion, August 2022	\$19,271,626	\$11,529,102	\$30,800,728
G	Letting Date: 6/26/2020 Completion: 8/30/2022	Expenses by Quarter		Statewide Transportation Improvement Program Estimates		
		FY21 Q4	\$1,690,451	GAA Section 9 (2019) \$13,100,000		
		FY22 Q1	\$718,994	Local Funds \$845,881		
		FY22 Q2	\$3,651,741	State Road Fund \$95,796		
		FY22 Q3	\$2,170,650	Federal Funds \$7,470,406		
				Total Cost Estimate \$21,512,083		
5	NM-68	Road reconstruction and bridge rehabilitation, miles 7 to 10, north of Alcalde	Project is in construction	\$7,957,756	\$10,215,735	\$18,173,491
G	Letting Date: 4/17/2020 Completion: Not Reported	Expenses by Quarter		Statewide Transportation Improvement Program Estimates		
		FY21 Q4	\$1,791,642	GAA Section 9 (2019) \$10,500,000		
		FY22 Q1	\$788,543	Federal Funds \$11,204,727		
		FY22 Q2	\$1,156,507	State Road Fund \$1,909,421		
		FY22 Q3	\$928,669	Total Cost Estimate \$23,614,148		
6	I-40	Design and ROW acquisition for Allison Corridor Project, from NM 118 to Kachina Road in Gallup	Project is in design; construction estimated to begin in 2023.	\$1,646,156	\$1,066,731	\$2,712,887
Y	Letting Date: Not Reported Completion: Not Reported	Expenses by Quarter		Statewide Transportation Improvement Program Estimates		
		FY21 Q4	\$456,941	GAA Section 9 (2019) \$4,500,000		
		FY22 Q1	\$83,326	Capital Outlay (General Fund) \$1,500,000		
		FY22 Q2	\$291,105	Total Cost Estimate \$6,000,000		
		FY22 Q3	\$593,195			

Department of Transportation Major Investment Projects Status Report, Q3 2022

District	Road	Project and Location	Status Note	Amount Expended	Amount Encumbered	Total
6	US-491	Reconstruction and Rehabilitation of Carbon Coal Road and Intersection at US-491, Gallup	Project is under construcion with estimated completion date in November	\$13,842,889	\$13,707,016	\$27,549,904
G		<i>Expenses by Quarter</i>		<i>Statewide Transportation Improvement Program Estimates</i>		
		FY21 Q4	\$4,480,361	GAA Section 9 (2019)		\$22,000,000
		FY22 Q1	\$2,005,078	State Road Fund		\$190,249
		FY22 Q2	\$2,197,993	Capital Outlay (General Fund)		\$11,000,000
		FY22 Q3	\$4,014,063	Total Cost Estimate		\$33,190,249

Letting Date: 12/18/2020
Completion: 11/14/2022

Notes

Statewide Transportation Improvement Program estimates are provided to illustrate the scope of the project and how the department blends funding from multiple sources to complete projects. The latest estimates may not reflect actual costs due to increases in construction costs.

Completion dates are estimates from NMDOT's active projects website or from NMDOT staff.