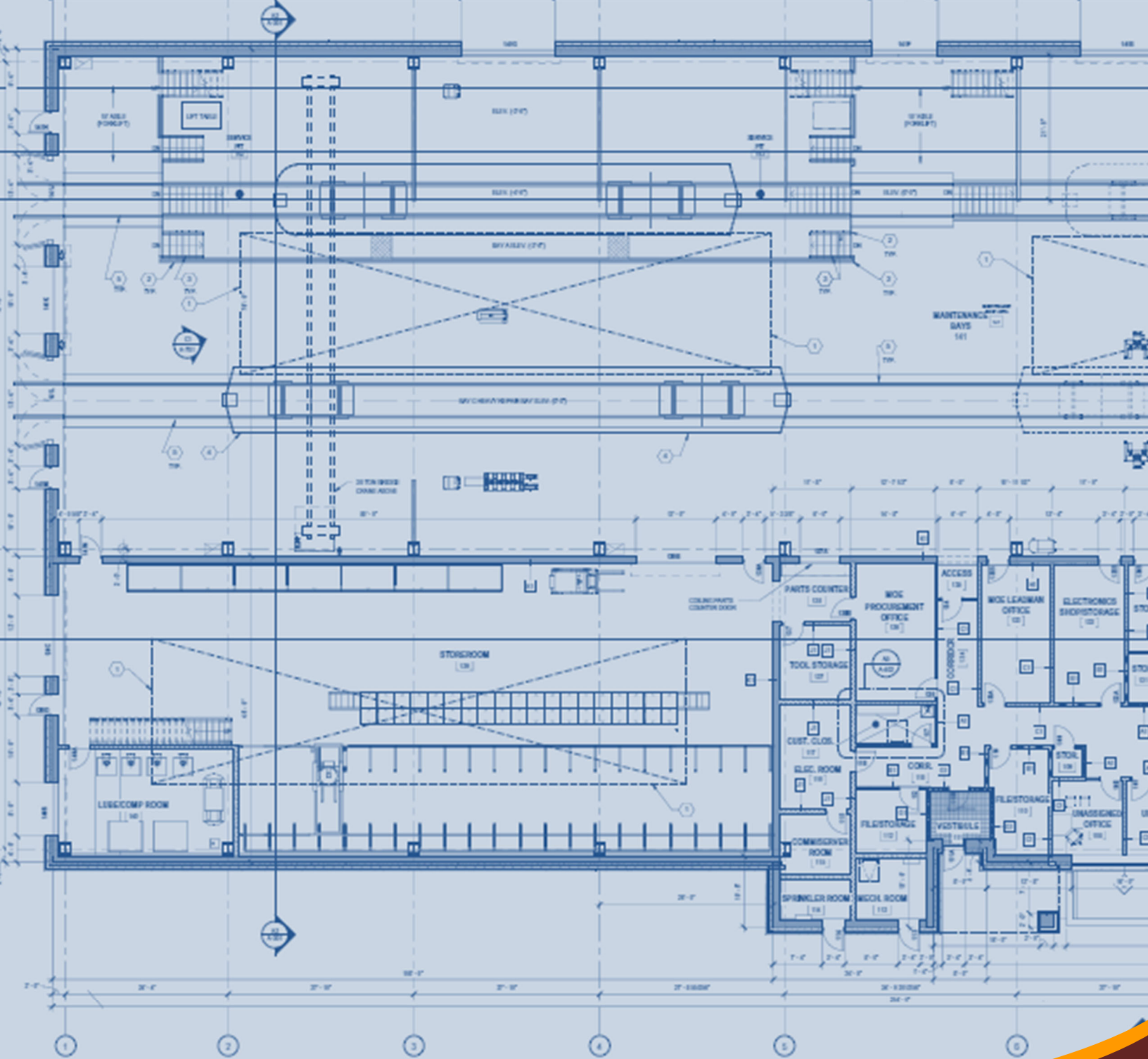




A1 GROUND FLOOR PLAN
80' x 110'



RIO METRO
REGIONAL TRANSIT DISTRICT

Budget and Capital Plan
FY2027 - FY2031

Adopted May 15, 2026

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I.1 Plan Structure

The Rio Metro Regional Transit District (Rio Metro) Budget and Capital Plan is divided into four sections:

- **Section 1** supplements the FY2027 budget resolution adopted concurrently with the Budget and Capital Plan by providing a more detailed breakdown of the budget, as well as projections for the following four fiscal years.
- **Section 2**, the New Mexico Rail Runner Express (NMRX) Capital Plan, satisfies the requirement in Rio Metro’s memorandum of agreement with NMDOT to jointly develop a five-year capital maintenance plan/capital improvement plan for the NMRX system. Through its direct relationship to Rio Metro’s Transit Asset Management (TAM) Plan, the NMRX Capital Plan also satisfies 49 USC 5337(b)(2), which requires that projects receiving Section 5337 State of Good Repair funds be included in a recipient’s TAM Plan.
- **Section 3**, the Transit Capital Plan, describes Rio Metro’s non-rail capital needs, with particular emphasis on revenue vehicle and service vehicle replacement. Like the NMRX Capital Plan, the Transit Capital Plan also describes plans and studies that may ultimately give rise to future capital projects or major service enhancements.
- **Section 4**, the Infrastructure and Capital Improvement Plan (ICIP), prioritizes unfunded and underfunded projects vetted in sections 2 and 3 for inclusion in the State of New Mexico’s ICIP database. That database, in turn, becomes the basis for requesting capital outlay and other state funds from the legislature and cabinet departments (e.g., NMDOT).

I.2 Relationship to the TAM Plan

There is a direct relationship between the TAM Plan and this Budget and Capital Plan. Above all, the investment priorities established in the TAM Plan—updated every four years—are refined annually by this plan. This primarily occurs in two ways.

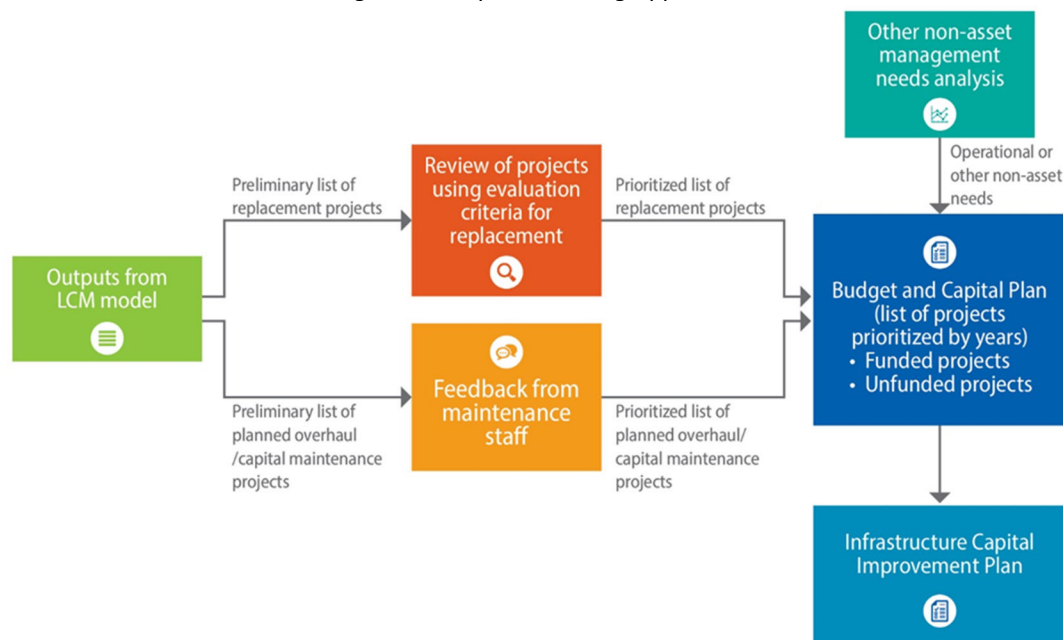
First, lifecycle cost models developed alongside the TAM Plan help identify capital maintenance and replacement needs without respect to available funding (i.e., an “unconstrained” scenario). The models’ outputs are weighed against staff’s direct knowledge of asset condition and available funding to determine Rio Metro’s annual investment priorities.

Second, staff also consider evaluation criteria from the TAM Plan to guide investment prioritization. For example, the criteria below, ordered from most important to least important, inform which revenue vehicles should be replaced when funding is limited:

- **Safety:** Does the condition of the asset pose a safety risk to the traveling public, operators or others that cannot be easily mitigated through routine maintenance?
- **Impacts to Service/Operations:** Does the condition of the asset impact the ability to provide revenue service and meet existing levels of service?
- **Maintenance:** What is the level of maintenance and inspection required to keep the asset in working condition?
- **Age:** Is the asset beyond its useful life?
- **Condition:** What is the condition of the asset?

In summary, the graphic below demonstrates how the lifecycle cost models, evaluation criteria and staff input work together to inform the Budget and Capital Plan:

Figure I-1: Capital Planning Approach



I.3 Key FY2026 Accomplishments and FY2027 Goals

Rio Metro’s primary accomplishment for FY2026 and goal for FY2027 are one and the same: advancing the land acquisition, design, and construction of the New Mexico Rail Runner Express Operations and Maintenance Facility (OMF). The OMF will replace an undersized, outdoor maintenance pit and dilapidated office and warehouse buildings, with a modern, indoor, locomotive and railcar maintenance facility that will improve workplace safety and productivity.

In April 2026, the Rio Metro board of directors approved the execution of a purchase agreement for an 8-acre parcel vital to the project, and staff are currently working through the closing process. Rio Metro staff and the design consultant are also finalizing the drawings and specifications necessary to procure a design-build contractor. That procurement is slated to kick off in June 2026.

Construction of the \$55 million OMF will spool up in the last half of 2026 and reach full tilt in the first half 2027—owed in large part to a \$22.5 million BUILD grant from USDOT and a \$5.6 million New Mexico Match Fund grant from the state. The OMF is scheduled to open in late 2028.



Section 1: FY2027 Budget and FY2028-FY2031 Projections

Rio Metro's budget is divided into two sections. The first section accounts for revenues and costs associated with the New Mexico Rail Runner Express commuter rail service. The second section accounts for revenues and costs associated with all other transit services and Rio Metro administration/overhead not exclusive to the Rail Runner. In both sections, FY2027 is the budget presented for adoption, and the prior year's approved budget and four-year projections are provided for reference. The projected years are subject to change as Rio Metro's capital priorities may shift, revenue levels may change, costs may rise, etc.

1.1 New Mexico Rail Runner Express Budget Background

The Rail Runner relies on a mix of federal, state, and local revenues. Federal revenues come in two forms: formula funds and discretionary funds. Formula funds are apportioned annually by the Federal Transit Administration (FTA) to Rio Metro and other transit agencies across the US based on their operating and demographic characteristics. Key formula funds that support the Rail Runner include:

- **Section 5307 Urbanized Area > 200,000 Population (aka Large Urban):** Rio Metro and ABQ RIDE are designated by the Governor to receive Section 5307 Large Urban funds apportioned to the Albuquerque Urbanized Area. Rio Metro and ABQ RIDE split the annual apportionment using the same variables employed by the Section 5307 formula: vehicle revenue miles, directional route miles, passenger miles traveled, population, population density, and operating expenses. The use of Section 5307 Large Urban funds is primarily restricted to capital projects, which encompass activities ranging from preventative maintenance to infrastructure expansion.
- **Section 5337 State of Good Repair:** Rio Metro is the sole direct recipient of Section 5337 funds in the Albuquerque Urbanized Area, which are apportioned based on directional route miles and vehicle revenue miles of fixed guideway public transportation (i.e., rail and bus rapid transit). Section 5337 funds are intended for the preventative maintenance, rehabilitation, and replacement of existing infrastructure and vehicles—not for infrastructure expansion. In FY2027, ABQ RIDE's Albuquerque Rapid Transit service is expected to begin generating additional Section 5337 funds, which Rio Metro will ensure goes to ABQ RIDE.

The Rail Runner also receives federal discretionary revenues—which are awarded on a competitive basis—in one of three ways: 1) federal transportation funds apportioned to the Mid-Region Metropolitan Planning Organization (MRMPO) and awarded through the Transportation Improvement Program (TIP); 2) federal transportation funds that NMDOT has the discretion to award; and 3) federal grants awarded directly by USDOT and its administrations (e.g., FTA). To highlight an example, since 2020, NMDOT has awarded Congestion Mitigation and Air Quality (CMAQ) funds to Rio Metro for Rail Runner operations. These funds free up an equivalent amount of locally-generated gross receipts tax revenue—which would otherwise fund Rail Runner operations—to match other federal funds for capital projects (or fund capital projects outright).

Notably, the CMAQ program has become the primary means by which the state financially supports Rail Runner operations. Otherwise, Rio Metro does not typically receive state general funds for Rail Runner operations. However, Rio Metro has and continues to receive state funds and other federal funds that the state has the authority to award to Rail Runner capital projects. For example, the Operations and

Maintenance Facility is the beneficiary of an NMDOT Carbon Reduction award and a Department of Finance and Administration Match Fund grant.

Several local fund sources round out the Rail Runner's revenue budget. Principally, Rio Metro collects a 1/8th-cent gross receipts tax (GRT) across its three-county service area (Bernalillo, Sandoval and Valencia counties), half of which is dedicated to the Rail Runner. Rio Metro also receives GRT from the North Central Regional Transit District to account for Rail Runner service in Santa Fe County. Other local revenues include fares collected onboard the Rail Runner and online, as well as trackage fees paid by Amtrak and BNSF for the use of the state-owned infrastructure.

Rio Metro expends these federal, state, and local revenues across two broad categories, operations and maintenance (O&M) and capital. The majority of Rail Runner O&M costs are payments made to the O&M contractor (currently Herzog Transit Services, Inc.) for operating trains; maintaining the rolling stock (i.e., locomotives, coach cars and cab cars); maintaining the track and signals; and hosting dispatch and PTC systems. Other significant Rail Runner O&M costs are paid directly by Rio Metro, and include insurance, fuel, and salaries/benefits. Rail Runner capital projects and their respective costs are described in Section 2.

The Rail Runner budget also includes one other cost category, Positive Train Control (PTC) debt service. This accounts for Rio Metro's on-going payments to the state for the \$10 million infrastructure bank loan it received to help implement PTC in 2020. The \$786,000 annual payments will continue through FY2037.

Finally, the Rail Runner budget includes "pass-through" revenues and costs that have a net zero impact on the budget. NMDOT and local governments often use Rio Metro's O&M contractor to complete railroad improvements associated with their own capital projects (commonly railroad crossings for roadway projects). In these instances, Rio Metro pays its contractor from its own cash reserve and is reimbursed by the local government, but Rio Metro is neither the lead agency for the project nor the direct recipient of the funds used to complete the project. Nevertheless, because these funds pass through Rio Metro's financial system, they must appear in the budget.

1.2 FY2027 New Mexico Rail Runner Express Budget Highlights

Excluding pass-through revenues and costs, the FY2027 Rail Runner budget incorporates \$114.8 million in revenues and \$95.3 million in costs (O&M \$47.5 million; capital \$47.0 million; PTC debt service \$0.8 million). Notably, the capital costs in FY2027 include the reimbursement for the land acquisition, design and a portion of the construction costs for the OMF. Including construction costs in later years, this \$55 million project is far and away Rio Metro’s most significant capital initiative in the near term, and cobbles together several federal and state discretionary sources, including a \$22.5 million BUILD grant awarded by USDOT in January 2025. Moreover, the GRT fund balance of \$19.6 million will be held in reserve for the benefit of the OMF should costs increase or unforeseen circumstances arise.

Notably, two capital projects that were completed in FY2024—the Alameda Siding and Centralized Traffic Control (CTC)—still appear in the FY2027 budget because FTA Region 6 has not yet processed Rio Metro’s federal grant applications. Once that occurs, Rio Metro will immediately seek reimbursement for these already-incurred costs.

Table 1-1: Rail Runner Revenues

Rail Runner Revenues	FY2026 Approved	State Fiscal Year (Thousands of Dollars)				
		FY2027	FY2028	FY2029	FY2030	FY2031
5307 Large Urban	20,678	13,543	13,814	14,091	14,372	14,660
5337 State of Good Repair	10,753	12,940	13,134	13,331	13,531	13,734
Subtotal, Federal Formula Funds	31,431	26,483	26,948	27,421	27,903	28,394
CMAQ-Flex Operating Assistance	5,000	8,845	7,886	5,000	5,000	5,000
BUILD OMF		9,657	12,820			
CDS OMF	3,001	3,001				
MRMPO CRP-LU/STP-LU OMF			2,324	9,676		
NMDOT CRP-Flex OMF			4,612	638		
CRP-LU/STP-LU Alameda Siding	4,624	4,624				
STP-LU Centralized Traffic Control	8,291	8,291				
Subtotal, Federal Discretionary Funds	20,916	34,418	27,642	15,314	5,000	5,000
Farebox	1,700	1,400	1,400	1,400	1,400	1,400
GRT Fund Balance	10,000	22,317				
GRT Rio Metro/NCRTD	24,000	25,000	25,500	26,010	26,530	27,061
NM Match Fund OMF		2,414	3,205			
Trackage Fees Amtrak/BNSF	2,700	2,800	2,800	2,800	2,800	2,800
Subtotal, State and Local Funds	38,400	53,931	32,905	30,210	30,730	31,261
Partner Agency Pass-Through Projects	13,621	10,012				
Subtotal, Pass-Through Projects	13,621	10,012				
Total Revenues	104,368	124,844	87,495	72,945	63,633	64,654
Total Rev. Excluding Pass-Through Projects	90,747	114,832	87,495	72,945	63,633	64,654

Table 1-2: Rail Runner Costs

Rail Runner Costs	State Fiscal Year (Thousands of Dollars)					
	FY2026 Approved	FY2027	FY2028	FY2029	FY2030	FY2031
Communications	780	780	803	828	852	878
Contractor Maintenance of Equipment	4,700	4,935	5,083	5,236	5,393	5,554
Contractor Maintenance of Way	8,500	8,925	9,193	9,469	9,753	10,045
Contractor PTC/Dispatch/Hosting	6,400	6,720	6,922	7,129	7,343	7,563
Contractor Rail Runner Operations	7,500	7,875	8,111	8,355	8,605	8,863
Facilities Maintenance and Repair	350	350	361	371	382	394
Fuel	3,800	5,000	5,150	5,305	5,464	5,628
Indirect Overhead (MRCOG)	510	540	556	573	590	608
Insurance	3,300	4,500	4,635	4,774	4,917	5,065
Leases and Rental Expenses	250	250	258	265	273	281
Non-Professional Services	190	820	845	870	896	923
Professional Services	1,000	2,000	2,060	2,122	2,185	2,251
Salaries & Benefits	2,600	2,700	2,781	2,864	2,950	3,039
Security Services	1,300	1,500	1,545	1,591	1,639	1,688
Service Vehicle Maintenance	30	30	31	32	33	34
Supplies, Equipment < \$5k, Misc	150	150	155	159	164	169
Travel	30	30	31	32	33	34
Utilities	380	390	402	414	426	439
Subtotal, Operations and Maintenance	41,770	47,495	48,920	50,387	51,899	53,456
SIB Loan Repayment (GRT, 18-yr, 1%)	786	786	786	786	786	786
Subtotal, PTC Debt Service	786	786	786	786	786	786
Alameda Siding	5,412	5,412				
Bridge AB0864.78 Design	1,000	1,245				
Capital Maintenance Program	13,292	11,274	9,073	8,727	6,443	5,643
Centralized Traffic Control	9,703	9,703				
O&M Facility, Phase 1	5,751	19,295	24,143	12,072		
Service Vehicle Purchase/Replacement	149	50	93		93	123
Subtotal, Capital	35,307	46,980	33,309	20,799	6,536	5,766
Partner Agency Pass-Through Projects	13,621	10,012				
Subtotal, Pass-Through Projects	13,621	10,012				
Total Costs	91,485	105,274	83,015	71,972	59,221	60,008
Total Costs Excluding Pass-Through Projects	77,864	95,261	83,015	71,972	59,221	60,008
Projected Cash/GRT Fund Balance (FY2027 year-end)		19,570				

1.3 Transit Budget Background

The transit budget covers all of Rio Metro's directly operated and contracted services other than the Rail Runner:

- Rio Rancho/Corrales Dial-a-Ride for seniors and individuals with disabilities directly operated by Rio Metro
- Valencia County/Pueblo of Isleta Dial-a-Ride and commuter bus routes directly operated by Rio Metro
- Sandoval County commuter bus routes contract operated by All Aboard America
- Job Access demand taxi service contract operated by z-Trip
- ABQ RIDE subsidy
- Sponsored NMDOT Park & Ride Purple Route, which replaced an early morning Rail Runner train and connects the Santa Fe County/NM 599 Rail Runner Station to Los Alamos
- Sponsored NCRTD Mountain Trail Route
- Rio Metro staff in the Administration and Finance, Marketing, Planning and Transit divisions

The transit budget is supported by a more varied revenue package than the Rail Runner budget, especially with respect to federal formula funds. Formula funds that Rio Metro receives include:

- **Section 5307 Urbanized Area > 200,000 Population (Large Urban):** Rio Metro's dial-a-ride and fixed route bus services in the Albuquerque Urbanized Area generate a small amount of Section 5307 Large Urban funds relative to the Rail Runner and ABQ RIDE. Moreover, because of the small size of these bus services, FTA permits some of these funds to be spent on operations. Therefore, Rio Metro typically spends up to the allowable limit on operations and retains the remainder for capital projects, often to purchase buses.
- **Section 5307 Urbanized Area < 200,000 Population (Small Urban):** Rio Metro is the sole transit provider in the Los Lunas Urbanized Area, which encompasses Belen, Los Lunas, and surrounding rural communities. The Section 5307 Small Urban funds that Rio Metro's dial-a-ride and fixed route bus services generate in the Los Lunas Urbanized area are apportioned by FTA to NMDOT, who then passes them along to Rio Metro. Rio Metro typically spends these funds on operations, but occasionally uses them to purchase buses.
- **Section 5339a Bus and Bus Facilities < 200,000 Population (Small Urban):** Like the Section 5307 Small Urban program, Section 5339 Small Urban funds apportioned to the Los Lunas Urbanized Area pass through NMDOT to Rio Metro. These funds may be used to improve bus facilities or to purchase buses.

Rio Metro's transit services also receive other formula funds from NMDOT on a competitive basis including:

- **Section 5310 Enhanced Mobility of Seniors & Individuals with Disabilities:** FTA apportions Section 5310 funds to NMDOT, who then follows a competitive process to award grants (primarily for new buses) to New Mexico transit providers and non-profit organizations that serve seniors and individuals with disabilities. Rio Metro may receive Section 5310 funding to replace up to three buses per year.
- **Section 5311 Rural:** Section 5311 funds are awarded by NMDOT to transit providers that operate in rural areas. Rio Metro requests both operating and capital funds from the Section 5311 program. Operating funds support commuter bus operations in rural Sandoval County and

capital funds are typically used to purchase new buses that serve the rural areas of Valencia County.

Rio Metro does not receive as much federal discretionary funding for its transit services as it does for the Rail Runner—whether from USDOT directly or passing through NMDOT or MRMPO. Generally, this is because the Rail Runner has more significant and costly capital needs than Rio Metro’s transit services, and also because Rail Runner projects tend to be more competitive than Rio Metro’s transit projects at the regional, state and national levels. Nevertheless, when the need arises, Rio Metro has found success, such as receiving Section 5339b Bus and Bus Facilities funding from USDOT and federal funding through MRMPO and NMDOT for the Valencia County Transit Facility.

Besides federal formula and discretionary revenues, Rio Metro applies the remaining half of its 1/8th-cent GRT to fund its transit operations and to match the aforementioned federal funds. Other local revenues in the transit budget include advertising revenue, as well as contributions from the Pueblo of Isleta for dial-a-ride and service to the Pueblo.

Transit costs are split over three categories: O&M, administration and planning, and capital. O&M is further categorized by the specific services that were bulleted at the beginning of this section. Administration and planning captures many of Rio Metro’s overhead costs, as well as service and capital planning efforts. As alluded to previously, the replacement of revenue and service vehicles is a commonly recurring capital cost, as are facility improvements.

1.4 FY2027 Transit Budget Highlights

The FY2027 transit budget incorporates \$67.2 million in revenues and \$28.1 million in costs (O&M \$16.0 million; administration and planning \$9.6 million; capital \$2.5 million). The remaining fund balance (\$39.1 million) is largely the result of past COVID-relief funding offsetting the use of GRT. The GRT fund balance also includes a board-mandated \$5 million cash reserve to help Rio Metro maintain cash flow agencywide.

Table 1-3: Transit Revenues

Transit Revenues	FY2026 Approved	State Fiscal Year (Thousands of Dollars)				
		FY2027	FY2028	FY2029	FY2030	FY2031
5307 Large Urban Operating	2,938	1,206	1,230	1,255	1,280	1,306
5307 Small Urban Operating	1,750	2,250	2,295	1,578	1,080	1,102
5310 Capital	329	527				
5311 Rural Operating	1,500	1,622	1,032	1,048	1,064	1,080
5339 Rural Capital	1,064	863	405	96	540	
5339 Small Urban Capital	154	215	56	182	64	65
Subtotal, Federal Formula Funds	7,735	6,683	5,019	4,159	4,028	3,552
STP-SU Valencia County Transit Facility				1,000		
CMAQ TDM/Marketing	731	731				
Subtotal, Federal Discretionary Funds	731	731		1,000		
Advertising	100	100	100	100	100	100
Fund Balance	25,000	38,672				
GRT	20,000	21,000	21,420	21,848	22,285	22,731
Pueblo of Isleta	64	15	15	16	16	17
Subtotal, State and Local Funds	45,164	59,787	21,535	21,964	22,402	22,848
Total Revenues	53,629	67,201	26,555	27,123	26,430	26,400

Table 1-4: Transit Costs

Transit Costs	State Fiscal Year (Thousands of Dollars)					
	FY2026 Approved	FY2027	FY2028	FY2029	FY2030	FY2031
ABQ RIDE	4,500	4,500	4,635	4,774	4,917	5,065
Bernalillo County Commuter Bus	230	250	258	265	273	281
Job Access Program	250	250	258	265	273	281
NCRTD Mountain Trail Route	15	15	15	16	16	17
NMDOT Purple Route	210	230	237	244	251	259
Pueblo of Isleta Partnership	385	15	15	16	16	17
Rio Rancho/Corrales Dial-a-Ride	1,700	2,300	2,369	2,440	2,513	2,589
Sandoval County Commuter Bus	3,000	4,000	4,120	4,244	4,371	4,502
Valencia County Dial-a-Ride and Fixed Route	3,500	4,500	4,635	4,774	4,917	5,065
Subtotal, Operations and Maintenance	13,790	16,060	16,542	17,038	17,549	18,076
Administrative Overhead	3,500	4,000	4,120	4,244	4,371	4,502
MRCOG Accrued Leave	1,300	2,000	2,060	2,122	2,185	2,251
MRCOG Indirect Overhead	1,450	1,700	1,751	1,804	1,858	1,913
MRMPO Planning Support	200	200	206	212	219	225
RMRTD Plans and Studies	200	200	206	212	219	225
ABQ RIDE/Rio Metro Transit Consolidation Study	150					
Passenger Survey	300					
Short Range Transit Service Plan	300	101	104	107	110	114
TDM/Marketing	1,100	1,350	1,391	1,432	1,475	1,519
Subtotal, Administration, Planning, and Programs	8,500	9,551	9,838	10,133	10,437	10,750
Revenue Vehicle Replacement	1,750	1,883	1,013	288	675	
Sandoval County Transit Facility Improvements	300	300		1,500		
Service Vehicle Replacement	223			30		76
Valencia County Scheduling Software	193	153	70			
Valencia County Transit Facility Improvements	500	200		1,398		
Subtotal, Capital	2,966	2,537	1,083	3,216	675	76
Total Expenses	25,255	28,148	27,462	30,387	28,661	28,902
Projected Cash/GRT Fund Balance (FY2026 year-end)		39,053				
Less required cash reserve		-5,000				
Net Cash/GRT Fund Balance		34,053				



Section 2: New Mexico Rail Runner Express Capital Plan

The New Mexico Rail Runner Express (NMRX) Capital Plan finds its basis in the 2013 memorandum of agreement (MOA) between Rio Metro and NMDOT:

The parties shall jointly develop a five (5) year NMRX and NMRX Corridor capital maintenance plan/capital improvement plan that will be subject to the joint approval of the RMRTD Chief Executive Officer and the NMDOT Cabinet Secretary. The capital maintenance/capital improvement plan will be reviewed annually and updated at least every two (2) years. The plan shall focus on maintaining NMRX in a safe condition and a state of good repair and shall identify the projected annual costs of planned programs, projects, major purchases, and activities; projected annual funding amounts by funding source for each program, project, major purchase or activity; and a demonstration that the plan will maintain NMRX in a safe condition and a state of good repair. The plan shall comply with the FTA-required NMRX capital asset management plan [i.e., a Transit Asset Management Plan] and shall demonstrate how the programmed expenditures assist in meeting NMRX performance targets. The plan will be presented to the STC by RMRTD as part of the NMRX annual report.

As alluded to above, the NMRX Capital Plan is also inextricably linked to Rio Metro's Transit Asset Management (TAM) Plan, functioning as an annual update to the TAM Plan, which is itself updated every four years. In doing so, the NMRX Capital Plan helps satisfy 49 USC 5337(b)(2), which requires that projects receiving Section 5337 State of Good Repair funding be included in a recipient's TAM Plan. This approach also allows Rio Metro to be more responsive to changing asset conditions, previously unidentified needs, and budgetary fluctuations.

The NMRX Capital Plan is divided into three programs:

1. The **Capital Maintenance Program** accounts for projects that maintain and upgrade the existing rolling stock, fixed guideway, bridges, crossings, facilities, and equipment so that they remain in a state of good repair. These projects are typically funded through the Section 5337 program, and are sometimes supplemented by other funding sources.
2. The **Capital Projects Program** includes funded and unfunded capital projects that have the potential to significantly improve the capacity, efficiency, safety, accessibility, maintainability, etc. of the NMRX system, rather than those projects that merely maintain existing assets.
3. **Plans and Studies** includes plans, studies and other efforts that may give rise to future capital projects and/or major service enhancements.

Each program includes a table with project titles, funding sources, costs allocated by anticipated fiscal year of expenditure, and total costs. The tables are also accompanied by brief descriptions of each project, including status updates when applicable. Also, as noted in the TAM Plan, all funded projects reflect Rio Metro's investment priorities based, in part, on the outputs of lifecycle cost models and Rio Metro and NMDOT staff input.

Finally, the NMRX Capital Plan includes a table and description of "pass-through projects". NMDOT commonly funds projects on segments of the NMRX system used solely by Amtrak and BNSF but not the

Rail Runner.¹ Likewise, other agencies may fund and construct projects that, in part, improve the NMRX system (e.g., a road project that improves a railroad crossing). While Rio Metro may not fund or directly manage these projects, the lead agencies' funds will pass through Rio Metro's financial system to pay the Rail Runner operations and maintenance contractor (currently Herzog Transit Services, Inc.) for constructing rail-related improvements.

2.1 Capital Maintenance Program

The capital maintenance program consumes a significant portion of Rio Metro's Section 5337 apportionment, and is typically the largest of the funded programs in the NMRX Capital Plan. Most capital maintenance projects are programmatic—that is, they receive about the same amount of funding annually to maintain an asset (e.g., railroad ties) at an acceptable condition as determined by staff and the TAM Plan. Other projects, like locomotive top deck overhauls, are discrete, one-time activities that commonly arise at a specific time in an asset's lifecycle.

The capital maintenance program is divided into four categories: rolling stock (e.g., train cars), fixed guideway (tracks, signals, bridges, crossings, etc.), facilities (e.g., stations), and equipment.

2.1.1 Rolling Stock

Clean, Oil, Test and Stencil (COT&S): Every four years, each MotivePower locomotive and Bombardier BiLevel cab car and coach car undergoes a detailed inspection and replacement of all major air valves and brake actuators as required by the Federal Railroad Administration (FRA). This process is referred to as “clean, oil, test and stencil” (COT&S). There are 13 coach cars, 9 cab cars and 9 locomotives in the Rail Runner fleet, which means that 8 cars, on average, are subject to this requirement each year. \$200,000 is programmed annually to purchase COT&S kits and perform this service.

Coupler Repair/Replacement: Couplers, the mechanisms that link train cars together, wear over time and must be repaired or replaced at a rate that prevents in-service failures. \$20,000 is programmed annually to repair or replace approximately four couplers.

Door Overhaul: Proper door operation is crucial to on-time performance. To prevent door malfunctions, Rio Metro is refurbishing the eight door motors on each cab car and coach car as part of their midlife overhaul. \$451,000 was initially programmed to the project in FY2023, and the remaining \$319,000 is spread from FY2027-FY2029 to complete the project.

Flooring Replacement: Like the previous project, the flooring in cab cars and coach cars needs to be replaced as they reach midlife. At \$120,000 per car, it will cost \$2.64 million to replace the flooring in all 22 cars. Approximately 4-5 cars will undergo this work each year, resulting in \$528,000 programmed annually over the five-year horizon of this plan.

Head End Power Overhaul: Each locomotive has a prime mover (diesel engine) that applies power to the main generator, which, in turn, powers the traction motors/wheels. Each locomotive also has a separate head end power (HEP) engine and generator that powers the lighting, HVAC and other electrical systems

¹ “Rail Runner” refers to the commuter rail service owned by NMDOT and operated by Rio Metro. “NMRX system” refers to the railroad infrastructure likewise owned by NMDOT and variously used by Amtrak, BNSF and the Rail Runner.

in cab cars and coach cars. HEPs must be overhauled as they approach their maximum recommended hours of use. \$200,000 is programmed annually to overhaul two HEPs.

Heating, Ventilation and Air Conditioning (HVAC) Overhaul: Each of the 22 cab cars and coach cars has two HVAC units (44 units total plus one spare) that must be converted at their first overhaul to accept a more environmentally friendly refrigerant per EPA regulations. Seven HVAC units remain to be overhauled at an approximate cost of \$20,000/unit. \$140,000 is divided evenly between FY2027 and FY2028 to complete this project.

Radio Replacement: The radio system used to communicate between dispatch, trains, and right-of-way workers is obsolete. \$140,000 is programmed in FY2027 to replace the radios on all locomotives and cab cars.

Security Camera Support: In FY2026, inward-facing cameras were installed on cab cars and coach cars. Exterior-facing cameras were also installed on locomotives and cab cars to comply with FRA's Locomotive Image and Audio Recording Devices for Passenger Trains rule. \$100,000 is programmed annually beginning in FY2029 for on-going licensing and support.

Top Deck Overhauls: The Rail Runner utilizes nine Motive Power MP36PH-3C locomotives. Five were built in 2005 and four were built in 2008. Locomotives are subject to a top deck overhaul every 15 years in order to correct wear in mechanical and electrical parts. Although the prime mover and main generator are the primary focus, this activity also includes traction motors, trucks, switchgear, electrical components, turbos, etc.

According to the lifecycle cost models, the five remaining locomotives should have been overhauled in FY2026 based on their age. However, to reduce the impact on the budget (\$800,000/locomotive), these overhauls are spread over several years. Locomotives 105 and 109 (overhauls currently underway) will be completed in FY2027. Locomotives 106, 107, and 108 will be overhauled in the three subsequent fiscal years.

Traction Motor Repair: Traction motors are the electric motors in the truck assembly of a locomotive that turn the wheels when power is applied from the prime mover and main generator. Rail Runner locomotives experience traction motor failures at higher rates than other passenger rail operators for a variety of environmental reasons including elevation, climate, and grade. When a traction motor fails, it must be shipped out of state because of the specialized equipment and parts required to perform the repairs. \$350,000 is programmed annually for traction motor repairs.

Truck Overhaul: Each cab car and coach car body rests on two trucks—metal frames that house the axles and wheels. These trucks are reaching the end of their useful life and must be overhauled as part of the midlife overhaul of cab cars and coach cars. \$1.32 million was initially programmed to the project in FY2023, and \$195,000 is rolling over into FY2027 and FY2028 to complete the project.

Turbocharger Replacement: Each locomotive prime mover is supported by a turbocharger that must be replaced periodically due to normal wear. \$48,000 is programmed annually to replace two turbochargers.

Table 2-1: Capital Maintenance Program

Capital Maintenance Program							
Project	Project Cost	FY2027	FY2028	FY2029	FY2030	FY2031	5-Year Total
Rolling Stock							
Clean, Oil, Test and Stencil	\$200,000/Year	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$1,000,000
Coupler Repair/Replacement	\$20,000/Year	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$100,000
Door Overhaul	\$451,000	\$150,000	\$150,000	\$19,000			\$319,000
Flooring Replacement	\$2,640,000	\$528,000	\$528,000	\$528,000	\$528,000	\$528,000	\$2,640,000
Head End Power Overhaul	\$200,000/Year	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$1,000,000
HVAC Overhaul	\$880,000	\$70,000	\$70,000				\$140,000
Radio Replacement	\$140,000	\$140,000					\$140,000
Security Camera Support	\$100,000/Year			\$100,000	\$100,000	\$100,000	\$300,000
Top Deck Overhaul Loco. 109	\$1,200,000	\$300,000					\$300,000
Top Deck Overhaul Loco. 105	\$800,000	\$263,000					\$263,000
Top Deck Overhaul Loco. 106	\$800,000		\$800,000				\$800,000
Top Deck Overhaul Loco. 107	\$800,000			\$800,000			\$800,000
Top Deck Overhaul Loco. 108	\$800,000				\$800,000		\$800,000
Traction Motor Repair	\$350,000/Year	\$350,000	\$350,000	\$350,000	\$350,000	\$350,000	\$1,750,000
Truck Overhaul	\$1,320,000	\$100,000	\$95,000				\$195,000
Turbocharger Replacement	\$48,000/Year	\$48,000	\$48,000	\$48,000	\$48,000	\$48,000	\$240,000
Wheel Replacement	Varies	\$250,000	\$250,000	\$250,000	\$150,000	\$150,000	\$1,050,000
Fixed Guideway and Signal							
Ballast	\$600,000/Year	\$600,000	\$600,000	\$600,000	\$600,000	\$600,000	\$3,000,000
Base Station Relocations	\$400,000	\$200,000	\$200,000				\$400,000
Bridge Components	Varies	\$0	\$0	\$50,000	\$50,000	\$50,000	\$150,000
Bridge Repair/Rehabilitation	\$200,000/Year	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$1,000,000
Emergency Drainage Cleanout	\$200,000/Year	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$1,000,000
Fencing	\$100,000/Year	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$500,000
Frog Replacement	\$80,000/Year	\$80,000	\$80,000	\$80,000	\$80,000	\$80,000	\$400,000
Grade Crossing Improvements	\$350,000/Year	\$350,000	\$350,000	\$350,000	\$350,000	\$350,000	\$1,750,000
Grade Crossing Electronics Upgrade	\$5,500,000	\$270,000					\$270,000
Other Track Material	\$50,000/Year	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$250,000
PTC/Wi-Fi Capital Maintenance	\$350,000/Year	\$350,000	\$350,000	\$350,000	\$350,000	\$350,000	\$1,750,000
Signal Component Replacement	\$350,000/Year	\$350,000	\$350,000	\$350,000	\$350,000	\$350,000	\$1,750,000
Ties	Varies	\$800,000	\$800,000	\$800,000	\$800,000	\$800,000	\$4,000,000
Trespass/Vehicle Detection System	\$190,000	\$190,000	\$42,000	\$42,000	\$42,000	\$42,000	\$358,000
Wayside Upgrades	\$3,995,000	\$365,000	\$365,000	\$365,000			\$1,095,000
Ongoing Capital Maintenance	\$500,000/Year	\$500,000	\$500,000	\$500,000	\$500,000	\$500,000	\$2,500,000
Facilities							
OMF Building Rehabilitation	\$1,500,000	\$500,000	\$500,000	\$500,000			\$1,500,000
Station IT Refresh	\$135,000/Year	\$135,000	\$135,000	\$135,000	\$135,000	\$135,000	\$675,000
Station Rehabilitation	Varies	\$1,500,000	\$1,500,000	\$1,500,000	\$200,000	\$200,000	\$4,900,000
Station Signage Refresh	Varies	\$1,500,000	\$20,000	\$20,000	\$20,000	\$20,000	\$1,580,000
Equipment							
Dispatch Radio/Station Upgrades	\$125,000	\$125,000					\$125,000
Tools	\$20,000/Year	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$100,000
Train Wash	\$200,000	\$200,000					\$200,000
Wastewater Disposal Upgrades	\$100,000	\$70,000					\$70,000
Total Cost		\$11,274,000	\$9,073,000	\$8,727,000	\$6,443,000	\$5,643,000	\$41,160,000

Wheel Replacement: Locomotive and car wheels wear over time and must be replaced based on FRA regulations. \$250,000 is programmed in the first three years to replace wheels, tapering to \$150,000 in the last two years.

2.1.2 Fixed Guideway and Signal

Note: Projects labeled “Material Only” exclude labor costs. Labor costs are included in the operations and maintenance contract.

Ballast (Material Only): Ballast is used in the undercutting and resurfacing processes that restore the roadbed upon which the ties and rails rest. Like repaving a highway, cleaning and replacing the ballast helps maintain the tracks’ alignment and ensures a safe and smooth ride. \$600,000 is programmed annually to purchase 10,000 tons of ballast.

Base Station Relocations: The Rail Runner’s PTC and signal systems use a network of key communications towers (also known as base stations) to relay data between the back office/dispatch and the infrastructure along the guideway. Some of the existing base stations are located on leased towers on private land. This project would relocate the West Mesa and Budaghers base stations to towers within the Rail Runner right-of-way. \$400,000 is programmed across FY2027 and FY2028 (one station per year at \$200,000 per station).

Bridge Components (Material Only): Each year, the 100+ bridges on the NMRX system are inspected per FRA regulations. \$100,000 is typically programmed annually to purchase bridge components for minor and/or urgent repairs identified in the inspection reports. This amount has been reduced to \$50,000 from FY2029-FY2031 in light of recent repairs.

Bridge Repair/Rehabilitation: \$200,000 is programmed annually for both labor and materials to perform more significant bridge repairs and rehabilitation identified through annual bridge inspections, as prioritized by Rio Metro, NMDOT Rail Bureau, and NMDOT Bridge Design Bureau.

Emergency Drainage Cleanout: Pipes, culverts and other drainage structures along the guideway can become clogged or damaged because of flash flooding, which can even cause stormwater to overtop the track. To avoid suspensions of service, crews are often mobilized immediately to clean up after flash flooding events and/or repair stormwater related damages. While the amount of work can vary widely from year to year depending on the weather, \$200,000 is set aside annually for emergency drainage cleaning and repairs in line with historical costs.

Fencing (Material Only): Because Rail Runner trains sometimes strike livestock in rural areas, wire fencing is used to restrict livestock access to the railroad right-of-way. Chain-link and panel fencing are also used in key locations along the Rail Runner corridor to deter pedestrian trespassing. \$100,000 is programmed annually to replace existing fencing and install additional fencing where warranted.

Frog Replacement: Frogs are an integral part of a railroad turnout or switch. The lifespan of a frog is highly dependent on the tonnage that it carries, requiring some to be replaced more often than others. Based on historical need, \$80,000 is programmed annually to replace up to two frogs.

Grade Crossing Improvements: The NMRX system includes approximately 120 public highway- and pedestrian-railroad grade crossings, in addition to about 40 private grade crossings in mostly rural areas.

Eighty of the public grade crossings are traversed by the Rail Runner, but others, for which Rio Metro has no direct capital responsibility, are used exclusively by Amtrak and/or BNSF. Over the years, NMDOT has programmed Section 130 (Railway-Highway Crossings program) funds to close or improve grade crossings, as they are locations where trains, vehicles, pedestrians, and bicyclists can come into conflict. On occasion, Section 130 funds are supplemented by tenant-generated trackage fees, particularly for those grade crossings used solely by Amtrak and/or BNSF. Furthermore, grade crossing improvements may be funded entirely by local governments when their own highway and pedestrian projects span crossings or when they desire to make crossings quiet-zone compatible. \$350,000 is programmed annually for Rio Metro to improve grade crossings, and/or to support NMDOT, tenant and local governments in their efforts.

Grade Crossing Electronics Upgrade: Most of the Rail Runner’s grade crossing controllers/circuits are antiquated. While they can be repaired if spare parts are located, many parts are no longer manufactured. Only about 40 grade crossings have had their controllers/circuits replaced to meet current standards, often as part of other capital projects. \$5.5 million was initially programmed in FY2023 for the remaining crossings, and \$270,000 is rolling over into FY2027 to complete the project.

Other Track Material (Material Only): In addition to ties, ballast and rail, the guideway requires other minor components such as anchors, tie plates, spikes, etc. to remain operable and in a state of good repair. \$50,000 is programmed annually to purchase these ancillary materials.

PTC/Wi-Fi Capital Maintenance: The PTC onboard, wayside, communication and back-office segments require periodic hardware replacement and software upgrades. There are also sizable licensing/lease fees associated with the software and radio spectrum. \$350,000 is programmed annually for these capital needs. Otherwise, PTC hosting and non-capital maintenance are accounted for in Rio Metro’s operating budget.

Signal Component Replacement (Material Only): The signal and communications systems help control the movement of trains and are essential to safety. Major elements of these systems—control points, intermediate signals, bungalows, switches and switch heaters, highway-grade crossing gates and warning devices, high-water and dragging equipment detectors, track circuits, data and voice communications equipment, etc.—have components that must be replaced periodically as they reach the end of their useful life or because of the operating environment. \$350,000 is programmed annually to replace these components.

Ties (Material Only): To keep the track in a state of good repair and at a suitable FRA-designated class for Rail Runner and Amtrak passenger service (typically Class IV = 80 mph maximum train speed), about 8,000 ties are replaced each year. \$800,000 is typically programmed annually to purchase these ties.

Trespasser Detection System: This project aims to bolster safety at the under construction Central Ave. pedestrian crossing (see Section 2.2.3)—which is transitioning from an underpass to an at-grade crossing— through the installation of a LiDAR-based detection system that will notify dispatchers and locomotive engineers when pedestrians trespass into the right-of-way. \$190,000 is programmed in FY2027 to install the system. \$42,000 is programmed annually in subsequent years for monitoring and licensing, although these costs may be rolled into the operating budget in future years.

Wayside Upgrades: The existing wayside system relies on logic controllers to interface with signals, switches, PTC devices and other equipment that work together to control train movements. Like a

computer, these controllers generally include a chassis, motherboard, modules, and a display, and are housed in bungalows at or near control points, intermediate signals, and grade crossings. \$3.9 million was initially programmed in FY2026 to remove and replace legacy controllers and associated devices that are no longer being manufactured and/or supported. The remaining \$1,095,000 is spread evenly across FY2027-FY2029.

Ongoing Capital Maintenance: This project reserves funding for the capital maintenance of rolling stock, fixed guideway, facilities, and equipment that are not otherwise anticipated by the capital maintenance program. \$500,000 is programmed annually for this project.

2.1.3 Facilities

Operations and Maintenance Facility Building Rehabilitation: At the time this plan was drafted, Rio Metro was in the process of closing on eight acres of land for the Operations and Maintenance Facility (OMF) that includes several dated buildings (see Section 2.2.1). While many of these buildings are in poor condition and will be demolished to make way for the OMF, some will remain, including a 7,600-SF office building and a 4,400-SF storage building dating to the 1960s. \$1,500,000 is divided evenly from FY2027-FY2029 to rehabilitate the remaining buildings, as needed.

Station IT Refresh: Each of the 15 Rail Runner stations has multiple IT, audio, and security components, including a PC, router, network switch, uninterrupted power supply, audio controller, amplifier, speakers, cameras, DVR, message board, etc. These components reach the end of their useful lives between 5 and 10 years. \$135,000 is programmed annually to ensure that each station's IT components may be replaced every seven years.

Station Rehabilitation: Station infrastructure, especially parking lots, are exhibiting wear and may require a variety of treatments (e.g., crack sealing, overlay, and milling and paving). Because several of the oldest stations need work soon, \$1.5 million is programmed annually from FY2027-FY2029. Based on lifecycle cost model averages, \$200,000 is programmed in each of the remaining two fiscal years to maintain a state of good repair.

Station Signage Refresh: Signs of various types (entrance, wayfinding, kiosk, etc.) and sizes at Rail Runner stations are wearing, particularly because of UV- and sun-related damage. \$1.5 million is programmed in FY2027 to significantly rehabilitate these signs, notably those at the oldest stations. Based on lifecycle cost model averages, \$20,000 is programmed annually in the remaining fiscal years for more routine maintenance.

2.1.4 Equipment

Dispatch Radio/Workstation Upgrades: The radio system used to communicate between dispatch, trains, and right-of-way workers is obsolete. This project will replace the dispatch radios and associated hardware and software, as well as the dispatch workstations. \$125,000 is programmed in FY2027 for this project.

Tools: New and replacement hand tools, power tools, and radios are needed by Rio Metro staff to maintain Rail Runner stations and other facilities. \$20,000 is programmed annually for this purpose.

Train Wash: NMRX trains are currently washed using hand-held pressure washers, brushes, and a mobile washer. These tools make it difficult to access all parts of the train (particularly the top), and the process

is labor intensive. Most commuter rail operations have a fixed train wash within a building that the train is driven through at slow speed while brushes and high-pressure water streams hit all areas of the trainset. These train washes are highly efficient, but can cost several million dollars. Instead, \$200,000 is programmed to purchase, install, and extend utilities to a more modest, open-air train wash featuring two brushes per railcar side and detergent/rinse applicators. This system will wash trains as they enter the yard, and will improve the efficiency of Rio Metro's operations in anticipation of a more robust indoor train wash constructed with a future phase of the Operations and Maintenance Facility.

Wastewater Disposal Upgrades: The current process of disposing wastewater from cab cars requires that they be positioned at one specific location in the yard. Cab cars also feature only one dump valve on the left side of the vehicle. \$100,000 was programmed in FY2026 to install a second dump valve on the right side on all nine cab cars, as well as to purchase a mobile pump/tank. This will enable the disposal of wastewater from cab cars wherever they are located in the yard. \$70,000 is programmed in FY2027 to complete this project.

2.2 Capital Projects Program

Unlike the previous program, which largely focuses on the maintenance and rehabilitation of existing assets, the capital projects program primarily targets efforts that enhance the capacity, efficiency, safety, accessibility, maintainability, etc. of the NMRX system. Furthermore, these projects can originate for any number of reasons: a response to a federal mandate (e.g., PTC); direction from Rio Metro's Board or management; meeting a long-standing need identified in previous iterations of this plan; realizing the goals and objectives of Rio Metro's Long Term Strategic Vision Plan or another plan; or the priority of a member government.

Regardless of their origin, Rio Metro's capital projects are categorized as either funded or unfunded. Funded projects have programmed funding and Rio Metro staff are actively working toward their fruition. Unfunded projects are presented here without priority; however, some of them are prioritized in Rio Metro's ICIP, which reflects Rio Metro's near-term capital priorities. Both funded and unfunded projects are also prime candidates for federal discretionary grant applications, capital outlay requests or other federal and state funds that may become available.

The capital projects program also includes a section for Partner Agency Pass-Through Projects. This section came about from an audit finding that required Rio Metro to account for funds that pass through its financial system when NMDOT and other agencies use Rio Metro's operations and maintenance contractor (currently Herzog Transit Services, Inc.) to complete railroad-related improvements that are sometimes part of larger projects. In these instances, Rio Metro pays the contractor from its own cash reserve and is reimbursed by the partnering agency, but Rio Metro is neither the lead agency for the project nor the direct recipient of the funds used to complete the project. This section estimates the total pass-through that Rio Metro anticipates in the upcoming fiscal year, which matches the pass-through revenue and expenditure totals in the Rail Runner budget. It also lists partner agency projects with funds that are anticipated to pass through Rio Metro's budget in future fiscal years.

2.2.1 Funded Capital Projects

Bridge AB0864.78 Design: The 451-foot Bridge AB0864.78 spans Galisteo Creek approximately 0.5 miles east of the Kewa Station. It was constructed in 1926 and is nearing the end of its life. In the 2024 inspection for this bridge, the deck was rated in poor condition, and the superstructure, substructure,

channel protection and approach were rated in fair condition; and the NMDOT Bridge Bureau has prioritized this bridge for replacement. To date, Rio Metro and the NMDOT Rail Bureau have partnered to fund the approximately \$1.2 million environmental and design phase that began in FY2026. The NMDOT Rail Bureau also took the lead in preparing and submitting a Federal-State Partnership for Intercity Passenger Rail grant to the FRA to cover the \$28.3 million construction cost (FRA decision

Table 2-2: Funded Capital Projects

Capital Projects Program (Funded)							
Project	Source	FY2027	FY2028	FY2029	FY2030	FY2031	5-Year Total
Bridge AB0864.78 Design	GRT	\$1,245,448					\$1,245,448
Operations & Maintenance Facility, Phase 1	CRP; Omnibus; Match Fund; RAISE; STP-U	\$19,295,289	\$24,143,013	\$12,071,506			\$55,509,808
Positive Train Control Debt Service	GRT	\$786,149	\$786,149	\$786,149	\$786,149	\$786,149	\$3,930,746
Total Cost		\$21,326,886	\$24,929,162	\$12,857,655	\$786,149	\$786,149	\$60,686,002

pending).

Operations and Maintenance Facility, Phase 1: The existing Rail Runner yard features a small maintenance pit capable of servicing one wheelset that is open to the elements, as well as leased office and warehouse buildings in poor condition dating as far back as the 1950s. To address these substandard facilities, Rio Metro completed a facility master plan in 2016 and a subsequent conceptual design report in 2022 for a new operations and maintenance facility (OMF) on par with its commuter rail peers. In FY2026, Rio Metro initiated the design for the \$55.5 million first phase, which includes a maintenance building with two through tracks and an area for fueling and servicing trains. Rio Metro is also closing on an 8-acre parcel vital to the project. In the first half of FY2027, Rio Metro will procure a design-build contractor and begin construction shortly thereafter.

In support of the project, Rio Metro was awarded a \$3.1 million FY2023 Omnibus Bill appropriation from Senator Heinrich, a \$5.25 million Carbon Reduction Program grant from NMDOT, and \$12.0 million through the Mid-Region MPO TIP process. In January 2025, Rio Metro also received a \$22.5 million BUILD grant and a \$5.6 million NM Match Fund grant to round out the budget. All of these funds and their applicable local match are reflected in Table 2-2.

Positive Train Control Debt Service: From FY2020 through FY2037, Rio Metro has and will continue to make debt service payments to the state for a \$10.9 million State Infrastructure Bank loan that was used to match federal funds for PTC implementation. Payments were intentionally lower during PTC implementation (i.e., interest only), but rose to \$786,149 annually beginning in FY2023.

2.2.2 Unfunded Capital Projects

Automatic Passenger Counters: Rio Metro is required by the FTA to submit ridership and other performance data to the National Transit Database (NTD). It is essential that these data are accurate, as ridership and other variables are used to calculate the formula funds that FTA apportions to Rio Metro each year. While ridership on Rail Runner trains has historically been counted manually, Rio Metro has investigated automatic passenger counting devices that can be placed above each coach car and cab car door to track boards and alightings. The estimated cost to purchase, install, and calibrate these devices is \$250,000.

BiLevel Cab Car: The Rail Runner fleet includes nine cab cars. A cab car is essentially a passenger car with a small cab that allows the engineer to operate the train from the front when the train is being pushed from the rear by a locomotive. A new cab car would allow Rio Metro to maintain a reasonable spare ratio during prolonged maintenance, as well as support increased Rail Runner service if desired. The estimated cost of a new cab car is \$4.5 million.

BiLevel Coach Car: The Rail Runner fleet includes 13 coach cars. A new car would allow Rio Metro to maintain a reasonable spare ratio during prolonged maintenance, as well as support increased Rail Runner service if desired. The estimated cost of a new coach car is \$4 million.

Table 2-3: Unfunded Capital Projects

Capital Projects Program (Unfunded)	
Project	Cost
Rolling Stock	
Automatic Passenger Counters	\$250,000
BiLevel Cab Car	\$4,500,000
BiLevel Coach Car	\$4,000,000
Locomotives	\$18,000,000
Fixed Guideway	
Bridge AB0864.78 Construction	\$28,350,000
Cerrillos Rd./St. Francis Dr. Crossing	\$1,500,000
Los Lunas Siding	\$8,000,000
Ross Extension	\$15,000,000
Sidings and Platforms (Hourly Service)	\$96,300,000
Sidings and Platforms (Reliability/Capacity)	\$39,600,000
Facilities	
Operations & Maintenance Facility, Phase 2	\$24,000,000
Total Cost	\$239,500,000

Locomotives: The Rail Runner utilizes nine locomotives. Six are in service each weekday. Of the remaining three, two are typically undergoing maintenance or repair, while one is deployed as part of a rescue train to potentially respond to a service disruption. Two additional locomotives would allow Rio Metro to maintain a reasonable spare ratio during prolonged maintenance, as well as support increased Rail Runner service if desired. The new locomotives would also have higher horsepower (4,400 hp vs. existing locomotives' 3,600 hp), which would improve the speed of longer train sets as they climb into Santa Fe. The estimated cost of a new locomotive is \$9 million, resulting in a total project cost of \$18 million.

Bridge AB0864.78 Construction: See Section 2.2.1. This \$28.4 million project would fund the construction of Bridge AB0864.78.

Cerrillos Rd./St. Francis Dr. Crossing: For many years now, the gates at the Cerrillos Rd./St. Francis Dr. crossing in Santa Fe periodically malfunction and activate when there is no train present, especially during heavy rain and snow events. This malfunction is caused by years of residual salt from roadway deicing operations working its way into the ballast and subgrade beneath the crossing, conducting electricity, and shorting the crossing circuit. \$1.5 million is the estimated cost to replace the fouled material with clean material and take other measures to prevent this issue from recurring. This project is also a potential candidate for Section 5337 funding.

Los Lunas Siding: There are few passing opportunities along the 30 miles of single track between Belen and Albuquerque, which often results in congestion and delays to Amtrak, BNSF, and Rail Runner trains. This project would reconstruct a 4,000-foot section of defunct railroad siding in the Village of Los Lunas near the Los Lunas Station. In order to restore functionality, new subgrade, ballast, ties, rails, and two control points are required. However, once implemented, this southern section of the NMRX corridor

will benefit from the additional capacity and flexibility in scheduling train movements. The Los Lunas Siding is estimated to cost \$8 million.

Ross Extension: BNSF freight trains are often cleared by NMRX dispatch to run from Albuquerque to BNSF's Belen Yard, which is adjacent to the Belen Rail Runner Station. Periodically, due to congestion in the yard, BNSF freight trains are held just north of the yard by BNSF dispatch on the main track, blocking Rail Runner trains from entering or exiting the Belen Station on a spur track. This project would extend that spur track approximately one mile north to eliminate this interference and the resulting delays to the Rail Runner. The Ross Extension is estimated to cost \$15 million.

Sidings and Platforms (Hourly Service): In 2022, Rio Metro completed a Double Track Study that identified siding and platform improvements that would enable up to one-hour headways. These improvements total \$96.3 million. As Rio Metro completes other fixed guideway projects like the Los Lunas Siding and Ross Extension, it may prioritize projects from the Double Track Study and pursue state and federal discretionary grants to fund them. Projects include:

- Siding between the Herzog Siding and Kewa Station
- Siding at Los Ranchos/Journal Center Station
- Additional platform at Montano Station
- Additional platform at Downtown Bernalillo Station

Sidings and Platforms (Reliability/Capacity): Although not required for hourly service, the Double Track Study also identified other siding and platform improvements that would increase the reliability and capacity of the Rail Runner corridor. These improvements total \$39.6 million.

Operations and Maintenance Facility, Phase 2: Phase 2 includes a permanent train wash, wheel truing station, and additional storage tracks. Phase 2 is estimated to cost \$24 million.

2.2.3 Partner Agency Pass-Through Projects

Los Lunas I-25 Interchange, East-West Corridor Phase I: Morris Rd. Crossing (Village of Los Lunas, A300962): The Village of Los Lunas is constructing a new interchange on I-25 south of NM 6 as well as a road connecting that interchange to NM 47 east of the Rio Grande. The project will include the reconstruction of the Morris Rd. crossing (to be renamed Los Lunas Blvd.), including track improvements and quad gates. Rio Metro estimates that nearly \$2.0 million could pass through its budget in FY2027.

Montano Rd. Crossing (NMDOT; A312244): NMDOT allocated \$300,000 in Section 130 funds in FY2026 to replace existing rubber crossing panels with concrete panels, construct asphalt transitions, and install pedestrian crossing signage. This work is anticipated to occur in FY2027.

Rail Trail: Central Ave. Crossing (City of Albuquerque; A302236): The City of Albuquerque is activating the rail corridor between the Rail Yards, Sawmill Neighborhood, and Old Town with a multi-use trail that will feature public art, amenities, and connections to neighboring businesses. One specific component of the Albuquerque Rail Trail, the Central Ave. Crossing (currently underway), features the reconstruction of the pedestrian underpass on the south side of Central Ave. to an at-grade pedestrian crossing with lights, gates, bells, signage, striping, etc. This project also requires the reconfiguration of track and

switches near the crossing. Rio Metro estimates that a little over \$1.0 million remains to pass through its budget in FY2027.

Table 2-4: Partner Agency Pass-Through Projects

Partner Agency Pass-Through Projects				
Project	Agency	Source	Total Project Cost*	FY2027 Estimated Pass-Through
Los Lunas I-25 Interchange, East-West Corridor Phase I: Morris Rd. Crossing (A300962)	Village of Los Lunas	HB2; INFRA; State Bond	\$183,017,389	\$1,954,533
Montano Rd. Crossing (A312244)	NMDOT	Section 130	\$300,000	\$300,000
Rail Trail: Central Ave. Crossing (A302236)	City of Albuquerque	Road Fund; Local; Capital Outlay	\$17,650,000	\$1,046,631
Rio Bravo Blvd./2nd St. & Gap Widening Improvements (A300942/A300945)	Bernalillo County	COVID Sup.; HPP; NHPP; STP-U; TAP-U	\$16,560,688	\$1,240,766
Southwest Chief Improvements CRISI	NMDOT	CRISI	\$11,500,000	\$4,600,000
Tribal Rd. 15 (Isleta Lakes Rd.) Improvements	Pueblo of Isleta	TTP	\$3,187,590	\$870,257
Bridge AB0853.61	TBD	TBD	\$500,000	Future Year
Positive Train Control, Madrid to Lamy	Amtrak	TBD	\$6,338,862	Future Year
St. Michael's Dr. Rail Trail Underpass (\$100470)	City of Santa Fe	HSIP; Road Fund	\$8,000,000	Future Year
Estimated FY2027 Pass-Through				\$10,012,187

Rio Bravo Blvd./2nd St. Intersection & Gap Widening Improvements (Bernalillo County; A300942/A300945): As part of Bernalillo County's Rio Bravo Blvd./2nd St. Intersection project, cantilever signals at the Rio Bravo Blvd. crossing were replaced with a signal bridge and preemption technology was installed to better coordinate the traffic signals and crossing signals. Bernalillo County's Gap Widening Improvements project also extended a multi-use trail through the crossing on the north side of Rio Bravo Blvd. and included additional concrete panels, lights, gates, etc. The trail also connects north to the Bernalillo County-Sunport Rail Runner Station platform. While these project were nearly complete at the time this document was drafted, Rio Metro anticipates that up to \$1.2 million will pass through its budget in FY2027 as the project is closed out.

Southwest Chief Improvements CRISI (NMDOT): This project is a multi-year, multi-jurisdiction initiative to improve the territory over which Amtrak's Southwest Chief operates. In 2020, Amtrak was awarded a \$5.6 million CRISI grant, which it will pair with an additional \$4.9 million and a \$1 million contribution from NMDOT. On the NMRX system, the project will convert 12.4 miles of bolted rail to continuous welded rail, as well as replace ties along a 5.5-mile stretch of track. In 2022, the cost for this work was estimated at \$4.6 million, although the NMDOT Rail Bureau is in the process updating that estimate.

Tribal Rd. 15 (Isleta Lakes Rd.) Improvements (Pueblo of Isleta): The Pueblo of Isleta intends to construct roadway, pedestrian and other improvements on Isleta Lakes Rd. to improve connectivity between Isleta Lakes & RV Park, the Rail Runner station, and Isleta Resort and Casino. Rio Metro estimates that approximately \$870,000 will be required for rail-related improvements largely associated with the Isleta Lakes Rd. crossing.

Bridge AB0853.61 (TBD): Located 1.5 miles northeast of the Village of Cerrillos, Bridge AB0853.61 was constructed in 1962 and should be replaced if freight traffic is reintroduced in this area. There are structural issues affecting the load rating, including fatigue to angles welded to the bottom of the stringers. \$250,000 would be required in two successive years to replace the bridge.

Positive Train Control, Madrid to Lamy (Amtrak): Amtrak desires to fund the installation of PTC on the 24-mile segment it alone uses between control points Madrid and Lamy. This \$6.3 million cost may pass through Rio Metro’s budget to pay Rio Metro’s PTC implementation contractor, Xorail. Pending the negotiation and execution of agreements between the respective parties, design and construction will likely be funded and implemented in two consecutive years.

St. Michael’s Dr. Rail Trail Underpass (City of Santa Fe; S100470): The City of Santa Fe is moving forward on the design of a multiuse trail underpass at St. Michael’s Dr. The total project cost is roughly estimated at \$8 million, and the amount that may pass through Rio Metro’s budget is not yet known.

2.3 Plans and Studies

Rio Metro may undertake plans and studies that give rise to capital improvements and/or major operating enhancements. While no plans/studies exclusive to the NMRX system are currently in progress, potential planning efforts are described below.

Double Track Study Update: In 2022, Rio Metro completed a Double Track Study that considered where additional sidings and platforms would be required to operate more frequent Rail Runner service (e.g. one-hour headways). In light of more recently completed projects—the Alameda Siding, Broadway Siding, and Centralized Traffic Control in Downtown Albuquerque—and additional service, this effort would identify changes to that Study and help Rio Metro prioritize guideway improvements for the next 10-15 years.

Table 2-5: Plans and Studies

Plans and Studies	
Project	Cost
Double Track Study Update (unfunded)	\$100,000
Total Cost (unfunded)	\$0



Section 3: Transit Capital Plan

The Transit Capital Plan describes Rio Metro’s non-rail capital needs, with particular emphasis on revenue vehicle and service vehicle replacement. Like the NMRX Capital Plan, it also leans on the tools developed for the TAM Plan—lifecycle cost models and evaluation criteria—to help determine Rio Metro’s transit capital priorities.

The Transit Capital Plan is divided into four programs:

1. The **Revenue Vehicle Replacement Program** prioritizes and schedules the replacement of Rio Metro’s directly-operated buses and minivans.
2. The **Service Vehicle Replacement Program** performs the same function for all of Rio Metro’s non-revenue vehicles, including those used by rail staff.
3. The **Capital Projects Program** includes funded and unfunded capital projects that would improve the capacity, efficiency, safety, accessibility, maintainability, etc. of the transit system.
4. **Plans and Studies** includes plans, studies and other efforts that are transit-specific or agency-wide in scope that may give rise to transit capital projects and/or major operating enhancements.

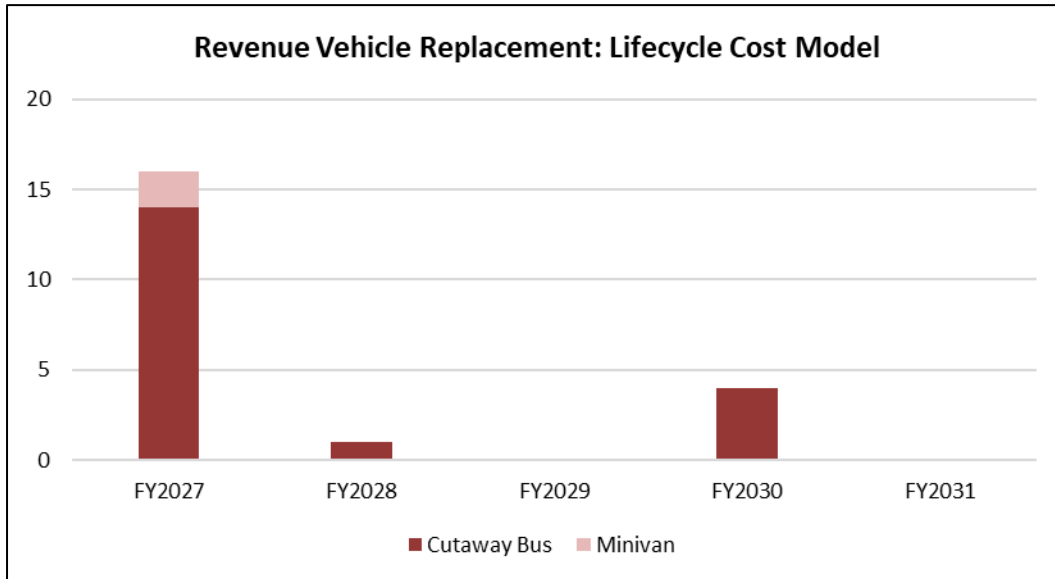
3.1 Revenue Vehicle Replacement Program

The revenue vehicle replacement program identifies which of Rio Metro’s cutaway buses and minivans should be replaced when over the five-year horizon of the Transit Capital Plan. The program uses the evaluation criteria identified in the TAM Plan by prioritizing the replacement of vehicles with known safety concerns; followed by those with issues impacting operations, mechanical problems, or high mileage; and, finally, those in good condition that have otherwise reached the end of their useful life.

To initiate this effort, Rio Metro uses a lifecycle cost model that distributes the replacement of revenue vehicles based solely on age or “useful life benchmark” (eight years for most of Rio Metro’s revenue vehicles). The lifecycle cost model output is shown in Figure 3-1 (next page). Of the 21 revenue vehicles slated for replacement over the next five years, there is a prominent spike of 16 revenue vehicles that will have met or exceeded their useful life in FY2027. A similar spike has appeared in the first year of Figure 3-1 since FY2021, after Rio Metro delayed the replacement of revenue vehicles in FY2020 and FY2021 to preserve cash on hand for PTC implementation. Subsequent supply chain backlogs stemming from the COVID pandemic prevented Rio Metro from replacing these revenue vehicles in a timely manner—a problem that grew in the following years as more and more revenue vehicles reached the end of their useful life.

Replacing the 16 revenue vehicles that will have met or exceeded their useful life in FY2027 is impractical. In a typical year, Rio Metro is unlikely to receive grant funding through NMDOT- and FTA-administered Section 5307, 5310, 5311 and 5339 programs to fund more than 10 replacements. However, with a relatively good GRT fund balance in the transit budget, Rio Metro has the flexibility and is on schedule to clear out the PTC- and COVID-generated backlog by FY2028.

Figure 3-1: Revenue Vehicle Replacement, Lifecycle Cost Model Output



In light of these considerations, staff developed the revenue vehicle replacement program visualized in Figure 3-2 and budgeted in Table 3-1. Unlike the lifecycle costs model, this approach is not strictly based on age—it prioritizes revenue vehicles that have been in crashes, or have suffered a major engine or transmission failure. Notably, the spike in FY2027 has been more evenly distributed through FY2028..

Figure 3-2: Revenue Vehicle Replacement Program

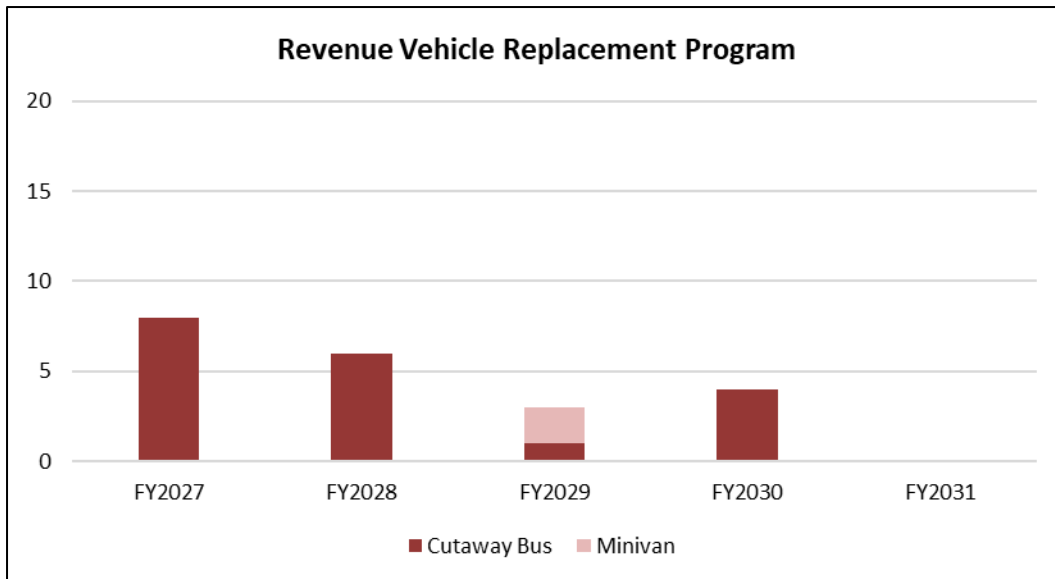


Table 3-1: Revenue Vehicle Replacement Program

Revenue Vehicle Replacement Program						
Vehicle Type	FY2027	FY2028	FY2029	FY2030	FY2031	Total
Cutaway Bus	\$1,350,400	\$1,012,800	\$168,800	\$675,200		\$3,207,200
Minivan			\$119,600			\$119,600
Total Cost	\$1,350,400	\$1,012,800	\$288,400	\$675,200	\$0	\$3,326,800

Rio Metro has also completed a zero-emissions transition plan and continues to monitor the battery electric bus (BEB) market and funding opportunities for the appropriate time to begin that transition. To date, BEB manufacturers have largely focused on 40-foot BEBs—the workhorse of public transit. There are few 25-foot cutaway BEBs on the market, and fewer, if any, that can approximate the daily range of Rio Metro’s existing internal combustion cutaway buses. From a funding perspective, the Trump administration is also not supporting the use of federal grants to acquire BEBs, which will be particularly critical for Rio Metro as cutaway BEBs cost two to three times more than conventional cutaway buses.

3.2 Service Vehicle Replacement Program

The service vehicle replacement program accounts for all non-revenue vehicles used by Rio Metro staff, including cars, vans, SUVs and pickup trucks (FTA classifies the latter three vehicle types as trucks). For most transit agencies, this program would also include heavy equipment like loaders, backhoes, tampers, etc., but in Rio Metro’s case, those vehicles are largely owned and replaced by its contractors.

After several years, Rio Metro has finally cleared its backlog of service vehicles that have reached the end of their useful life. Consequently, the service vehicle lifecycle cost model output (Figure 3-3) and replacement program (Figure 3-4) are nearly identical—Rio Metro will simply delay replacing one service vehicle that reached the end of its useful life in FY2025 until FY2028. With respect to funding, Rio Metro generally replaces service vehicles used predominately by administration and rail staff with SECTION 5337 (state of good repair) funds, whereas those used by transit staff are typically replaced with GRT.

Figure 3-3: Service Vehicle Replacement, Lifecycle Cost Model Output

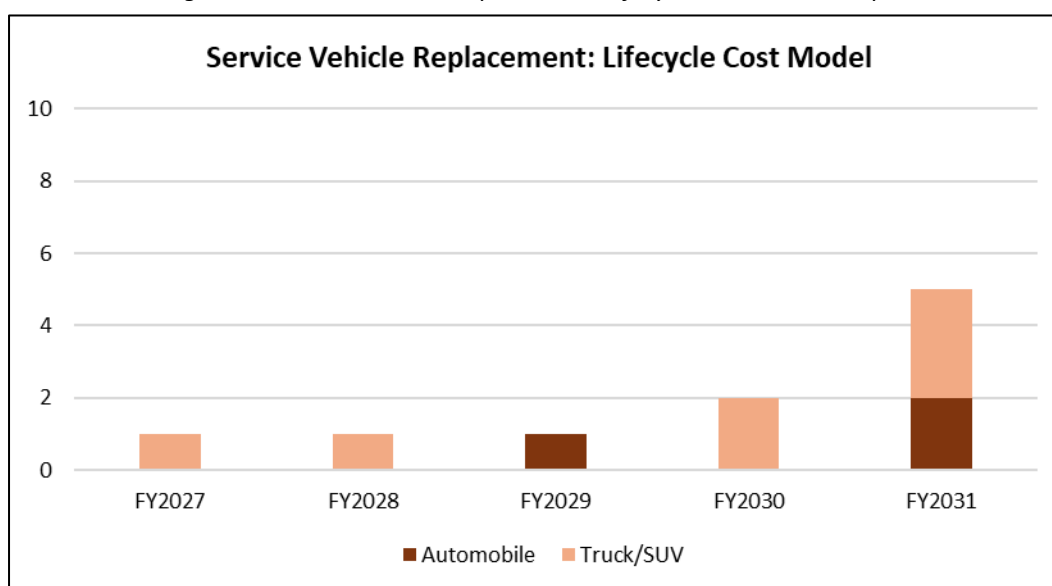


Figure 3-4: Service Vehicle Replacement Program

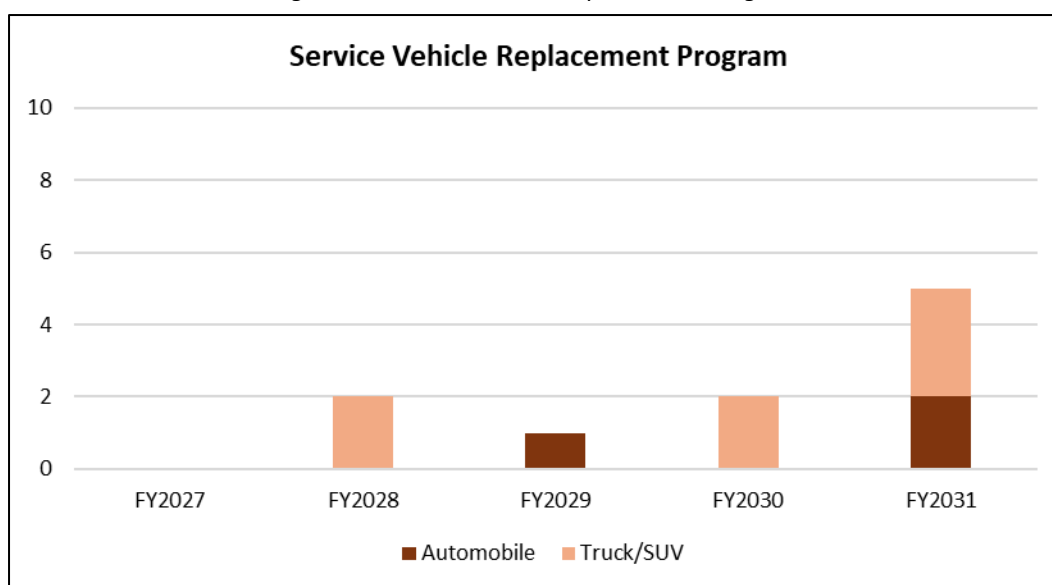


Table 3-2: Service Vehicle Replacement Program

Service Vehicle Replacement Program						
Vehicle Type (Division)	FY2027	FY2028	FY2029	FY2030	FY2031	Total
Automobile (Rail)					\$29,800	\$29,800
Automobile (Transit)			\$29,800		\$29,800	\$59,600
Truck/SUV (Rail)		\$93,200		\$93,200	\$93,200	\$279,600
Truck/SUV (Transit)					\$46,600	\$46,600
Total Cost	\$0	\$93,200	\$29,800	\$93,200	\$199,400	\$415,600

3.3 Capital Projects Program

This capital projects program includes both funded and unfunded projects that improve existing transit operations. Funded projects have committed, budgeted funding, and Rio Metro staff are actively working toward their fruition. Unfunded projects are presented here without priority; however, they are prioritized in Rio Metro's ICIP (Section 4). They are also prime candidates for federal and state discretionary grants, capital outlay requests or other funding opportunities.

3.3.1 Funded Capital Projects

Sandoval County Transit Facility Repaving: In the summer of 2020, Rio Metro relocated the Sandoval County transit division to a new location in Rio Rancho near the intersection of Unser Blvd. and Idalia Rd. This location was previously used by Rio Rancho Public School's bus contractor for many years, and, at the time of purchase, the parking lot had extensive cracking which revealed a very thin asphalt section on subgrade with no base course. Shortly after move-in, Rio Metro sealed and restriped the parking lot as a temporary fix while it prioritized remodeling and upgrading the building. Now that the building improvements are complete, Rio Metro has set aside \$1,500,000 in FY2029 to fully reconstruct the parking lot.

Valencia County Transit Facility, Phase 2: Based on the full buildout plan that was prepared in 2021, Phase 2 may include the construction of a maintenance building, bus wash, fueling/charging infrastructure, and/or other elements desired at the newly constructed Valencia County Transit Facility. Rio Metro received \$1.17 million in STP-U Small Urban funds (including local match) in FY2024, and added Section 5339 funding to bring the funded total to \$1.4 million. Rio Metro may also pursue FTA discretionary grants to complement these funds before beginning construction of Phase 2 improvements in FY2029.

Table 3-3: Funded Capital Projects

Capital Projects Program (Funded)							
Project	Funding	FY2027	FY2028	FY2029	FY2030	FY2031	Total
Sandoval County Transit Facility Repaving	5307; GRT			\$1,500,000			\$1,500,000
Valencia County Transit Facility, Phase 2	STP-SU; 5339			\$1,397,922			\$1,397,922
Total Cost		\$0	\$0	\$2,897,922	\$0	\$0	\$2,897,922

3.3.2 Unfunded Capital Projects

Valencia County Transit Facility, Phase 2: For more information, refer to the previous project in Section 3.3.1. Phase 2 is estimated to cost \$15 million, of which \$1.4 million is already committed. This project reflects the remaining balance.

Zero Emission Transition: Rio Metro completed its Zero Emission Transition Plan in 2023, which generally describes the facility improvements and vehicle purchases necessary to transition its revenue and non-revenue fleets to a zero-emission technology such as battery electric or hydrogen fuel cell electric. While there are several federal formula and discretionary programs that might help defray the \$27 million cost of and hasten the transition, federal funding support for zero emissions facilities and vehicles is, for all intents and purposes, on pause during the Trump administration. The timing of the transition is also dependent on the availability of revenue and non-revenue vehicles that are sized and perform similarly to Rio Metro's existing fleet.

Table 3-4: Unfunded Capital Projects

Capital Projects Program (Unfunded)	
Project	Cost
Valencia County Transit Facility, Phase 2	\$13,602,078
Zero Emission Transition	\$26,970,000
Total Cost	\$40,572,078

3.4 Plans and Studies

Short Range Transit Plan : As the formal successor to the 2012 Short Range Plan, the Short Range Transit Plan update will establish service policies, recommend changes to Rio Metro’s existing services, and identify opportunities for expansion over the next five to ten years. The plan will also consider how Rio Metro’s services can best integrate with the ABQ RIDE Forward Recovery Network Plan, as well as account for past conversations with Rio Rancho and other member communities about service expansion. \$101,000 remains programmed for this effort.

Table 3-5: Transit Plans and Studies

Plans and Studies	
Project	Cost
Short Range Transit Service Plan	\$101,000
Total Cost	\$101,000



Section 4: FY2028-FY2032 Rio Metro Regional Transit District Infrastructure Capital Improvement Plan

The Infrastructure Capital Improvement Plan (ICIP) is a five-year planning tool devised by the State of New Mexico and managed by the Department of Finance and Administration. Essentially, local governments are encouraged to vet and adopt a prioritized list of capital projects that are then uploaded to the state's ICIP database. That database, in turn, becomes the basis for requesting capital outlay and other state funds from the legislature and cabinet departments.

Each year, Rio Metro uses the ICIP process to prioritize 10-15 unfunded or underfunded capital projects that appear in the NMRX and Transit capital plans. Barring a regulatory mandate or a critical need, this process allows Rio Metro to weigh the relative importance of projects that aren't directly comparable. For example, is a new transit administrative and maintenance facility more desirable than a new railroad siding when both have the potential to improve the capacity of their respective systems?

Upon adoption of the Budget and Capital Plan resolution by Rio Metro's board—which also includes language that adopts this ICIP as required by the state—Rio Metro will then upload each project's information into the state's database.

Table 4-1: Infrastructure Capital Improvement Plan

Rio Metro Infrastructure Capital Improvement Plan (FY2028-FY2032)		
Priority	Project	Cost
2028-1	Ross Extension	\$15,000,000
2028-2	Bridge AB0864.78	\$28,350,000
2028-3	Los Lunas Siding	\$8,000,000
2028-4	Cerrillos Rd./St. Francis Dr. Crossing	\$1,500,000
2028-5	Rio Metro Zero Emission Transition--Infrastructure	\$7,370,000
2028-6	Rio Metro Zero Emission Transition--Buses	\$19,600,000
2028-7	Rail Runner Operations & Maintenance Facility, Phase 2	\$24,000,000
2028-8	Rio Metro Valencia County Transit Facility, Phase 2	\$13,610,000
2028-9	Rail Runner Sidings and Platforms (Hourly Service)	\$96,300,000
2028-10	Rail Runner Sidings and Platforms (Reliability/Capacity)	\$39,600,000
2028-11	Rail Runner Bridge and Drainage Reconstruction	\$6,000,000
2028-12	Rail Runner Grade Crossing Imp./Quiet Zone Support	\$1,000,000
2028-13	Rail Runner Locomotives	\$18,000,000
2028-14	Rail Runner Bi-Level Cab Car	\$4,500,000
2028-15	Rail Runner Bi-Level Coach Car	\$4,000,000
Total Cost		\$286,830,000