STIP Considerations for Locally Administered Projects

Winston-Salem Urban Area MPO
2021 Biennial Federal Funding Workshop

November 16, 2021
Expectations for use of Federal-aid funds

• Title 23 of the United States Code – Highways

• Reimbursement basis – not a grant program

• Typically 80% reimbursement – must be matched locally, per STI law in the case of bicycle/pedestrian projects, and per NCBOT policy for LAPs selected and programmed by MPOs.

• Federal reimbursement for any phase of work constitutes a commitment to complete the project in its entirety
How a LAP gets programmed in the STIP

• Basis for adding a project
  • NCDOT Pn.0 prioritization
  • STI “alternate criteria” Federal formula funding
  • Directed Federal funds

• Process for adding a project
  • Request to MPO for funding or Pn.0 submittal
  • If programmed outside Pn.0 prioritization—
    – Funding approval by MPO TAC/Board
    – MPO amends TIP and requests NCDOT to amend STIP
**NCDOT Pn.0 prioritization**

- Typically will be a bicycle/pedestrian project due to STI requirement for non-STI match source – other projects would normally default to NCDOT delivery if funded.

- Typically would be Division Needs category funding, based on preceding and STI categorization of bicycle/pedestrian project eligibility.

- 2 opportunities per normalization
  - 4% minimum non-highway
  - 6% any mode
Federal core program funding

• Federal surface transportation program sub-allocations to urbanized areas >200K population – “Direct Allocation (DA)”
  • Surface Transportation Block Grant Program (BG) – facility must be classified on Federal-aid system as a collector or higher, with a few exceptions (e.g. bike/ped, hazard elimination)
  • Transportation Alternatives (TA) Program – alternative transportation modes / solutions

• Congestion Mitigation / Air Quality (CMAQ) – NCDOT sub-allocates a portion to MPOs, RPOs in eligible counties
Directed Federal funds

• Examples
  – Congressional earmarks
  – BUILD (now RAISE)
  – INFRA

• Match funds and any additional funding required to complete project are responsibility of recipient municipality
LAP candidates and STI prioritization

**NCGS Ch. 136 Article 14B**
Strategic Transportation Investments

**Prioritization n.0**
- Stakeholder workgroup
  - Scoring criteria
  - Criteria weights
  - Local points
- Project solicitation & scoring

**Transportation Investment Strategy Formula**

**Pn.0 -1 committed**
[per workgroup]

**Alternate prioritization**
- Bridge
- IMPM
- Safety
- RR Sec. 130
- STBGDA / TAP
- STIP Econ. Dev.

**Exemptions**
- CMAQ
- Federal discretionary
- ADHS
- **Pre-7/2015 lets**
- Toll revenues
- Toll gap funding
- SPR & PL

**Final Pn.0 results**

**40 / 30 / 30**

**STIP**
Process for adding a project outside Pn.0

• Request to MPO for funding
  – Location (route, termini, municipality)
  – Scope of work
  – Schedule – by fiscal year
  – Cost – by phase (preliminary engineering, right of way, construction)

• Approval of funding by MPO
  – Verification of eligibility for proposed funding source
  – Eligible phases of work
  – Delivery timelines
  – Funding participation – sources and amounts by phase

• MPO amends TIP and requests NCDOT to amend STIP
Programming vs. funding authorization

• STIP programming – funding plan / blueprint; no actual funds to spend

• Funding authorization – formal Federal commitment to reimburse, assuming all Federal laws, rules, policies and regulations are followed; authority to begin expending funds

• Project delivery prerequisites for obtaining Federal funding authorization for project phases beyond preliminary engineering (PE) – to be covered in next session
Federal requirements regarding STIP programming

• Federal STIP – first 4 years of program

• Funding must be programmed in order for a phase of work to receive funding authorization

• STIP revisions required as follows (up to 5-month process):
  – When a project is added or deleted
  – When schedule for a phase of work advances into or is delayed out of the 4-year Federal STIP (NOTE: NCDOT policy also requires a revision if a schedule crosses a fiscal year)
  – When project cost increases by more than $2 million and by more than 25% of reference cost
Project status updating requirements

• Project completion

• Project cancellation

• Project accelerations or delays, if changing a Federal fiscal year
  – Defined completion dates – changes may require supplemental municipal agreement
  – 10-year rule for completion of preliminary engineering phase