

STIP Considerations for Locally Administered Projects

Locally Administered Projects Lunch and Learn Series
Module 1
April 16, 2019

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

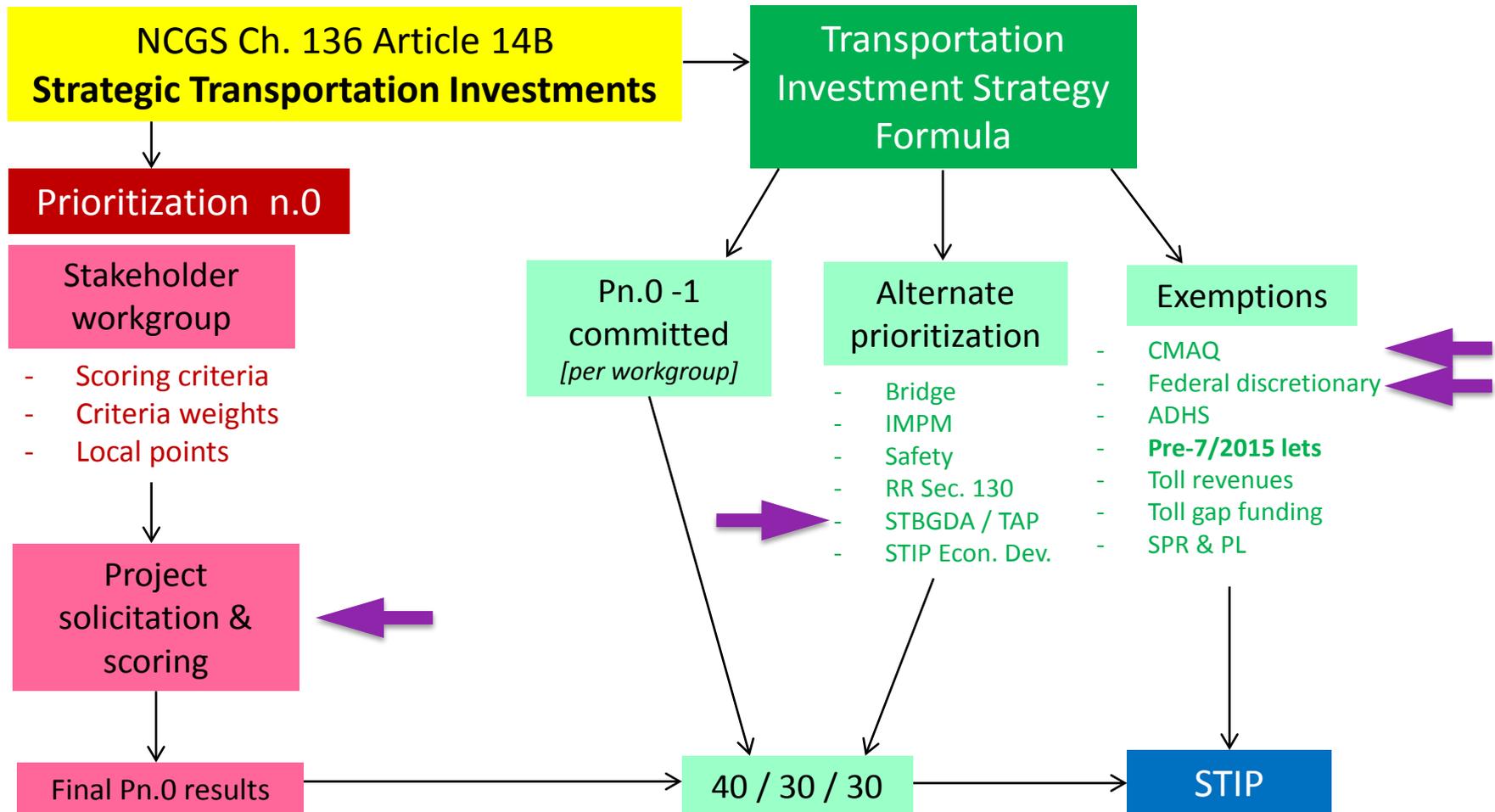
Federal core program funding

- 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
 - TIGER
 - FASTLANE
 - BUILD
 - INFRA
- Match funds and any additional funding required to complete project are responsibility of recipient municipality

LAP candidates and STI prioritization



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 2-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