



STIP Transition Report

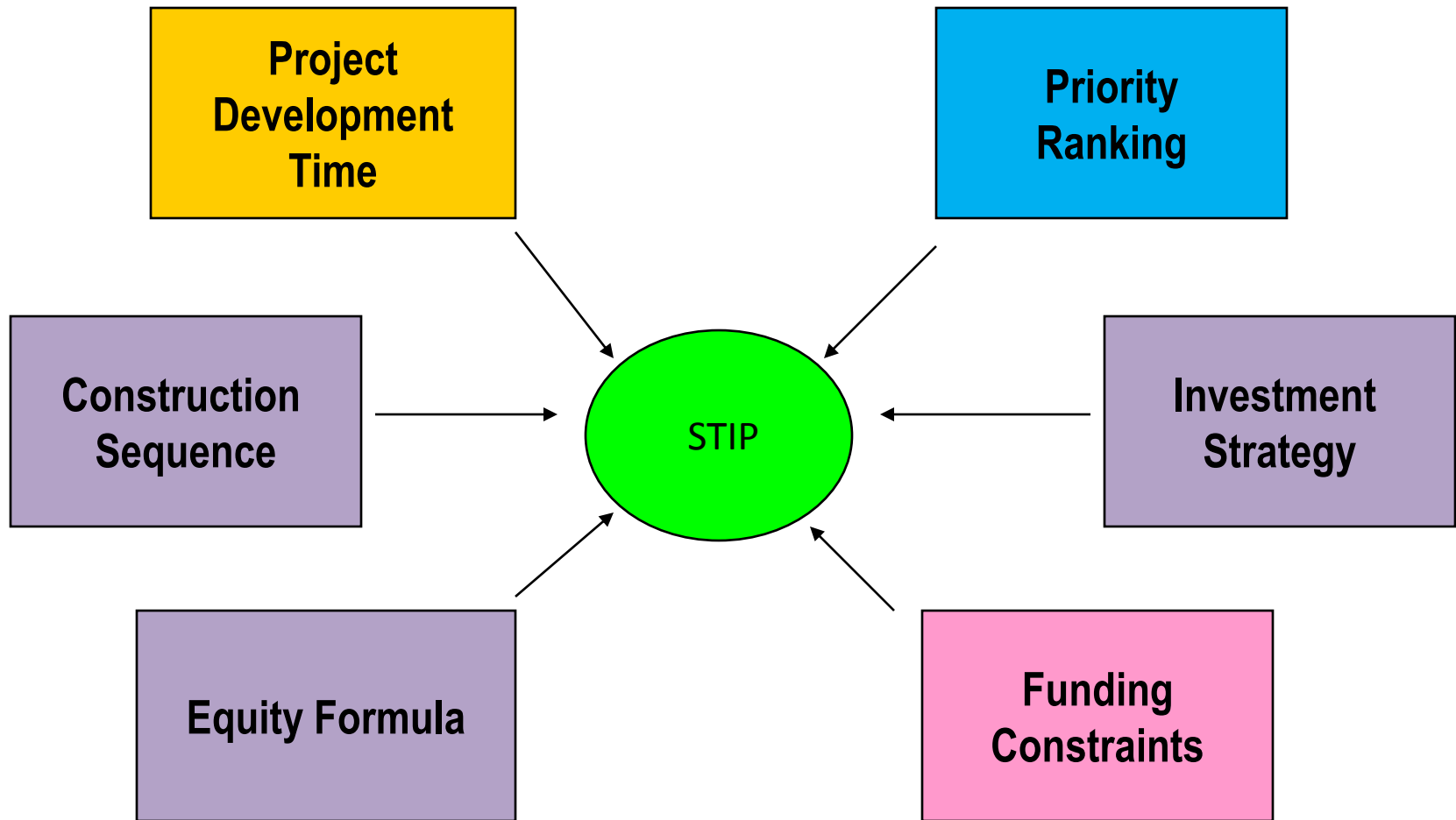
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April 4, 2014

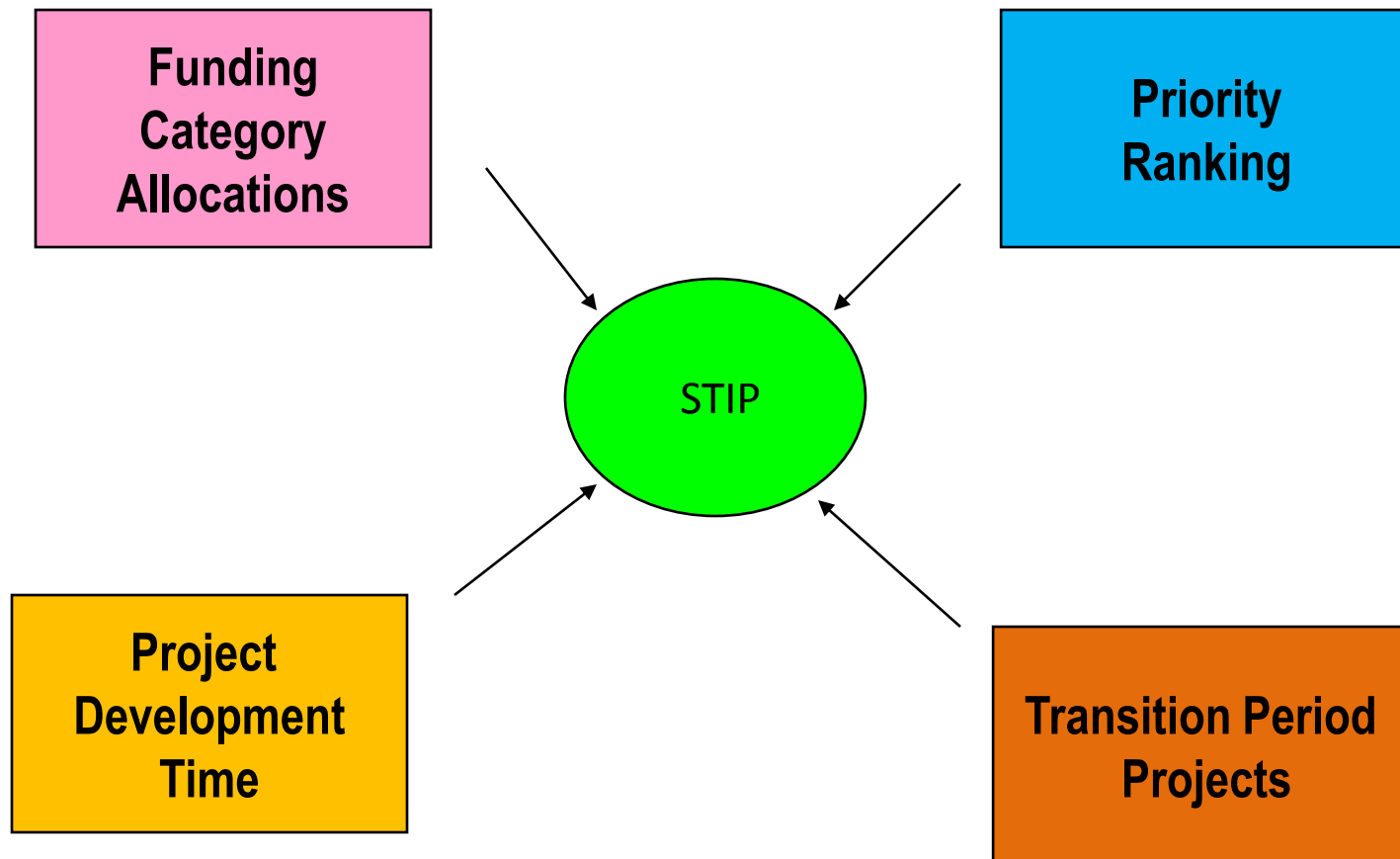
STI Transition Overview

- Factors Influencing the Programming Process
- Alternate Prioritization Programs and Projects
- Policy Considerations
- Highway Fund and Highway Trust Fund Revenue Distribution Analysis

Factors Previously Impacting the TIP Process



Factors Impacting the STIP Process



Priority Ranking

Funds Subject to Formula

- Highway Trust Fund funds

- Federal Aid funds

Funds Excluded From Formula:

- Federal Congestion Mitigation and Air Quality (CMAQ)

- Competitive or Discretionary Grants

- Appalachian Development Fund

- Repayment of GARVEE Bonds for Phase I, Yadkin River Bridge

- STIP Transition Period Projects (designated by HB817)

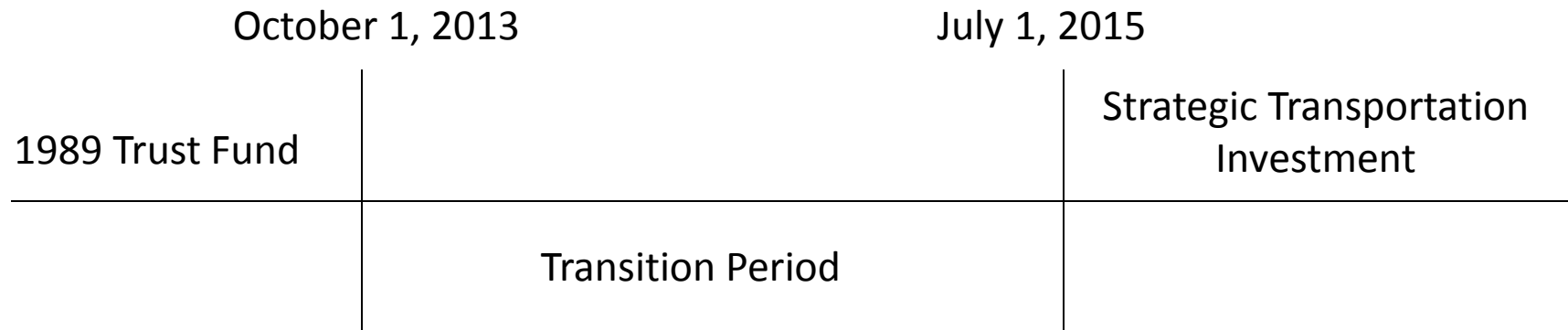
- Toll Collections

- Federal State Planning and Research Program Funds

- Metropolitan Planning Funds

Transition Period Projects

- **GS136-189.11 Transportation Investment Strategy Formula**
- **(b) Funds Excluded from Formula**
 - (6) Funds obligated for projects in the State Transportation Improvement Program that are scheduled for construction as of October 1, 2013, in State fiscal year 2012-2013, 2013-2014, or 2014 – 2015.



Unchanged Factors to Programming

Project Delivery Sequence:

- Preliminary Engineering
 - Environmental Analysis
 - Permitting and Moratorium
 - Railroad and Utility Coordination
- Right of Way
- Construction

Federal Statutory Requirements

- State and Local Transportation Improvement Programs are required to be consistent with Transportation Plans
- If a project is located within Federally designated air quality non-attainment or maintenance areas must go through a conformity determination

New Factors to Programming

Bonus Allocation for Local Funding Participation and Highway Tolling

- STI allows for bonus allocation of up to one-half of the local funding or toll revenue bonding amounts up to the caps.
- Caps are \$100M after July 1, 2015 and 10% of total Regional and Division Categories
- Are required to be programmed within 5 years of Construction Authorization
- Local funding is only above what is normally required (i.e. utility relocations)

Programming Caps

- 10% of five-year allocation on contiguous project or group of projects in the same corridor within a Division or adjoining Divisions.

Project Scheduling Impacts to Programming

Project Ranking	Expected Project Delivery Time (Years)	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
1	9		NEPA			Design		ROW		CON	
2	4	Design		ROW	CON						
3	1	CON									
4	5	Design		ROW		CON					
5	8		NEPA		Design		ROW		CON		

Alternate Prioritization Projects and Programs

Funds with Alternate Criteria – included in formula but not subject to SPOT prioritization:

- Bridge Replacement

- Interstate Maintenance

- Highway Safety Improvement

- Highway-Railroad Grade Crossings

- Transportation Alternatives Program (TAP)

- Federal Aid Direct Attributable (STP-DA & TAP-DA)

- Economic Development Funding Guidelines

Policy Considerations

Transition Period Implementation

- Projects scheduled for Construction prior to July 2015 are not subject to prioritization
 - However, if the scope of a project is modified enough to require a new or supplemental environmental document or an amendment to a long range plan, then project is subject to prioritization
- Projects scheduled for Construction after July 2015 are subject to prioritization
 - Must consider SPOT prioritization prior to authorization of preliminary engineering and right of way

Road User Pricing

- Freeway projects that increase capacity can be considered for on-site, user-based revenue options (tolling) for prioritization
- Approval of tolling is still locally (MPO/RPO) decided

Policy Considerations

Emergency Repairs (Recommended Legislation)

- When there is a declared emergency event, NCDOT can be reimbursed federal dollars

Federal Lands Access Program (Recommended Legislation)

- Allows ability to expend federal funds established in 23 USC 204

Supplemental Safety Funding

- When safety improvement is more immediate, programming as a split funded project is allowed

Policy Considerations

Programming Compatibility w/ State and Federal Requirements

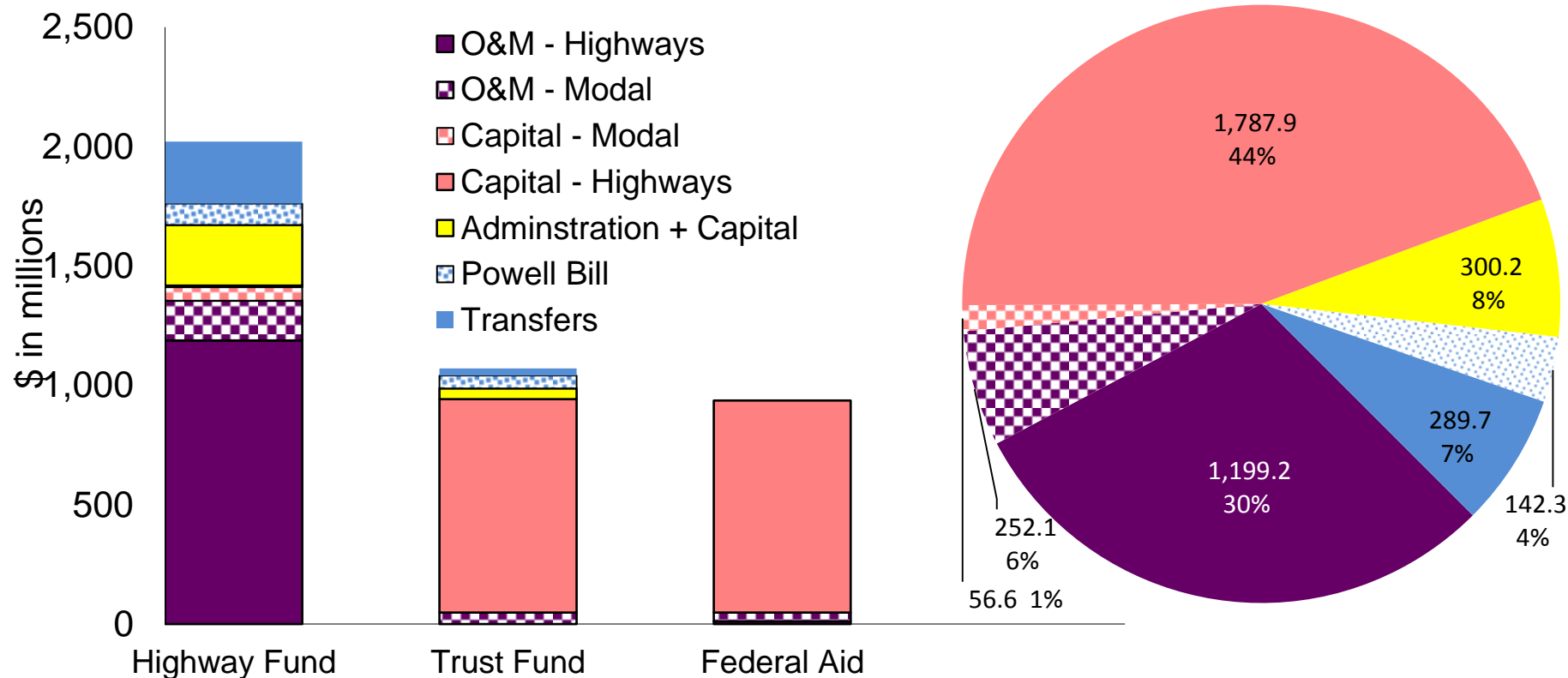
- The highest scored project is programmed, while the state and federal law regarding environmental analysis will determine the selected alternative

Program Stability

- Projects that are programmed for construction within the five year work plan are not subject for prioritization in the next scoring cycle
- This allows for efficient expenditures on preliminary engineering and right of way

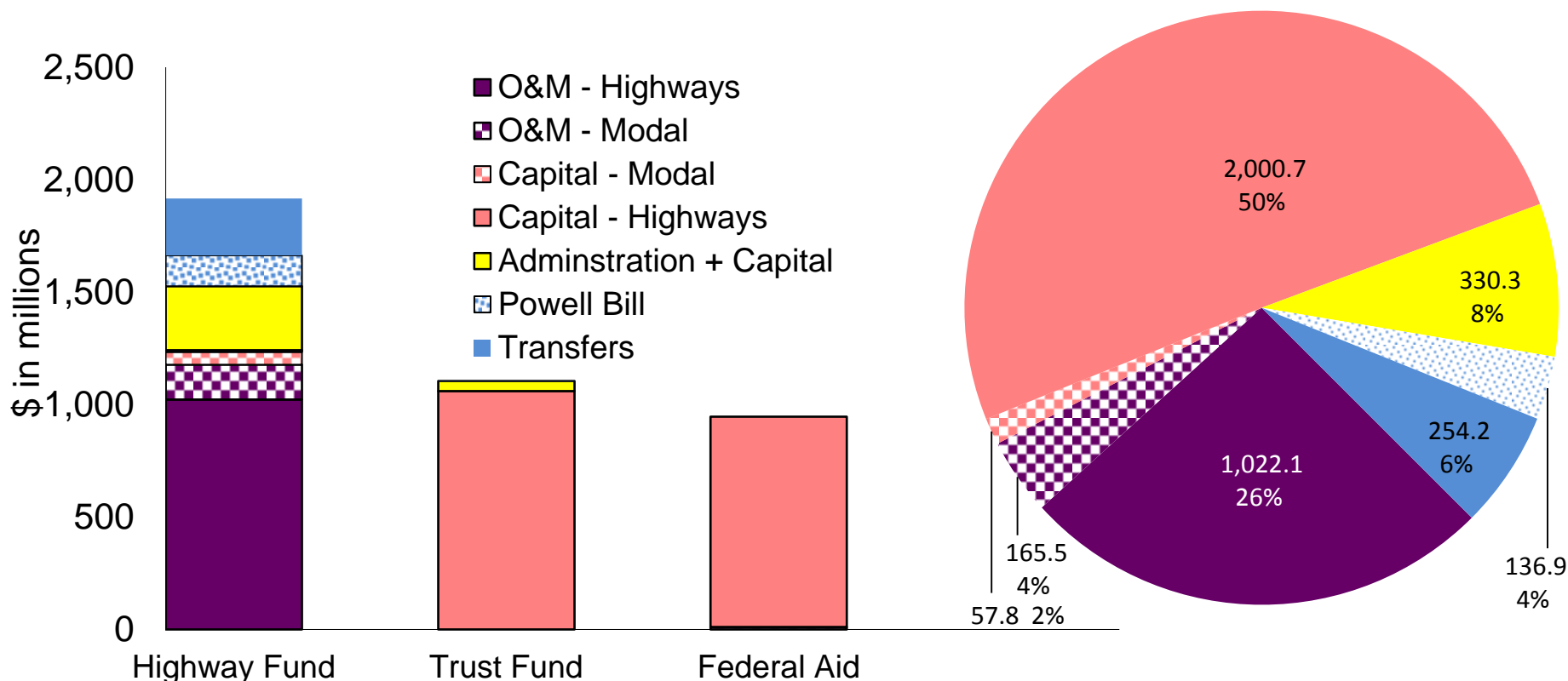
Revenue Distribution Analysis FY 2013

Old Formula (Pre-STI)



Revenue Distribution Analysis FY 2015

New Formula (STI)



Effect on Highway Funds (O&M Demands)

Powell Bill

Pavement Activities

Bridge Replacement

Traffic Operations, Positive Guidance and Signal Maintenance

O&M Projects that utilized Equity Formula Dollars

- Previous Equity Formula did allow for O&M expenditures.
i.e., large drainage pipe improvements or National Highway System overlays

Questions?