

## STATE TRANSPORTATION IMPROVEMENT PROGRAM (STIP)

### Project Funding Process

The State Transportation Improvement Program (STIP) is the Department's list of transportation projects funded over the next seven years. Currently, it is updated every two years, but this process is undergoing revision.

**POLICY:** All projects must be funded, or programmed, into the STIP, and if applicable, the Metropolitan Transportation Improvement Program (MTIP). The Local Government Agency is responsible for providing the necessary project details regarding location, scope, schedule, and cost to ensure that the project is correctly programmed.

Federal law requires that any transportation project receiving Federal funds must be included in both the STIP and the MTIP, which establish the funding year, estimated funding amount, and source(s) of funds for the project.

Depending on the source of funds, the Local Government Agency will provide this information either directly to the NCDOT TIP Program Manager (see contacts below) or to the Coordinator for their respective Metropolitan Planning Organization (MPO) or Rural Planning Organization (RPO).

#### **PROCEDURE:**

The STIP Process, which currently occurs every two years, is explained at <http://www.ncdot.org/planning/development/TIP/TIP/>

#### **NEW PROJECTS FUNDING REQUEST**

- Submit the following information to the TIP Program Manager:
  - Location of the project
  - Route on which the project is located, or name of facility as appropriate
  - Termini (beginning and end points on the route/facility)
  - Description of work
  - Estimated costs and proposed delivery schedule for right of way, utility work, and construction phases

#### **EXISTING PROJECTS FUNDING REQUEST**

Any changes to the amount of funding or schedule changes will require an amendment to the TIP. Submit new information to the TIP Program Manager

#### **TIME FRAME FOR PROGRAMMING**

The process for adding a project to or amending a project in the TIP is at least 60 days. Only after Agreement is executed by NCDOT, may any authorizations for funding occur.

**NOTE: For State-funded only Projects, procedure is different – see [State](#) section**

Once the project has been programmed, NCDOT will notify the LGA by mail or e-mail with information on the next steps to prepare an [Agreement](#)

**RESOURCES**

TIP Program Manager  
NCDOT Program Development Branch  
1534 Mail Service Center  
Raleigh, NC 27699-1534

**Regional TIP Contacts (see pg 3 for regional assignment by County)**

<u>Eastern Region</u>	<u>Phone Numbers</u>	<u>E-mail</u>
Ray McIntyre, PE	919-733-3690 x:343	<a href="mailto:rmcintyre@ncdot.gov">rmcintyre@ncdot.gov</a>
 <u>Central Region</u>		
Mike Stanley, PE	919-733-3690 x:306	<a href="mailto:mtstanley@ncdot.gov">mtstanley@ncdot.gov</a>
 <u>Western Region</u>		
Van Argabright, PE	919-733-3690 x:367	<a href="mailto:vargabright@ncdot.gov">vargabright@ncdot.gov</a>

## PROJECT INFORMATION DATA SHEET

The first step in preparing the Project Agreement is the completion of the Project Information Data Sheet. This sheet is used to obtain specific information about the funded project.

Once the project has been programmed into the NCDOT Transportation Improvement Program, the LGA will be required to submit a Project Information Data (PID) Sheet in order to prepare a Project Agreement.

The PID Sheet will ask specific questions about the scope of the project, location, implementation schedule, phases for reimbursement, and responsibilities of each party.

In order to prepare an agreement efficiently and accurately, it is important for the LGA to fully complete the PID Sheet. If any information is omitted, the PID will be returned to the LGA.

### **PROCEDURE:**

- LGA will receive a PID Sheet from either the LPM Office or the Division once project funds are programmed. A PID may also be found on the electronic forms website at <http://www.ncdot.org/business/> - click on Electronic Forms.
- LGA will complete and submit form to LPM Office - see **Forms** for more information.
- A project **Agreement** will be prepared once a completed PID is received.

Two questions on the PID ask for the length the **Useful Life** of a project and the **Milestone Schedule** the project should meet. The next sections provide more explanation on how to determine these numbers.

## PID Sheet Question #8

### USEFUL/ECONOMIC LIFE

The Useful or Economic Life of a Project is the length of time that the LGA should ensure the public interest in and access to a project, as well as maintaining any relevant property access agreements.

**POLICY:** NCDOT expects the LGA to ensure the public investment for a project for the useful life as stated in the project agreement, or reimburse expended funds if public access cannot be maintained.

The LGA's responsibility for the completed project for the term agreed to as the useful or economic life is very important. For the length of this time period, NCDOT expects the LGA to do the following:

- Maintain public access to the project
- Maintain any historic preservation requirements
- Maintain any property agreements

**IMPORTANT:** The LGA is solely responsible for maintaining the physical condition of the property, usually in perpetuity.

FHWA expects that public interest in and access to a project should be commensurate with the amount of federal funds expended. For example, an expenditure of \$1 million dollars to renovate a train station would probably require public access in perpetuity, while an expenditure of \$50,000 for a sidewalk would require the LGA to maintain that sidewalk for public access for a period of 10 to 15 years.

#### PHYSICAL MAINTENANCE

Physical maintenance refers to the LGA's ability to maintain the project in the same *physical* condition as when completed, allowing for normal wear and tear, without additional funds from NCDOT.

#### PUBLIC ACCESS

Any leases or other property agreements into which the LGA enters should contain a provision to allow for public access over the useful life of the project.

#### RESTRICTIONS/COVENANTS on HISTORIC PROPERTIES

If the project involved restoration or rehabilitation of a historic structure, the LGA is responsible for maintaining the integrity of that work.

Example: historic windows, roof, other materials

**If the public investment is not maintained by the LGA, NCDOT reserves the right to request reimbursement of expended funds.**

## PID Question #11

### MILESTONE DATES

The **Milestone Dates** are those dates that are set for the completion of certain activities. At this time, NCDOT is monitoring the completion date of pre-construction activities and construction activities (or final project completion).

**POLICY:** NCDOT expects the LGA to adhere to the agreed-upon milestone schedule. Any change to milestone dates that results in a longer time frame for completion **must** be agreed to in writing by all parties and documented in the Project File.

Local Government Agencies submit proposed dates to complete pre-construction and construction activities as part of their Project Information Data (PID) Sheet.

**Pre-Construction** activities include planning/environmental documentation, ROW acquisition and certification, final construction documents—in short, everything required to put a project out for bids.

**Construction** activities include all the construction work, inspection time, and submittal of the final invoice.

The dates provided by the LGA will be reviewed by the Department and if approved, will be incorporated into the Project Agreement.

The Department will monitor implementation activities to ensure timely progress and completion of a project. If milestone dates are not met, the Department may reconsider the funding of the project.

### INACTIVE PROJECTS

Inactive projects are defined as those projects that have had no funding reimbursement over a certain period of time. FHWA may withdraw funds on those projects determined to be inactive. The table below summarizes what qualifies as an inactive project, based on the remaining amount of funds and the length of time that no invoice activity has occurred:

Balance of funds	No Activity
>\$500,000	One year
≥50,000 and ≤\$500,000	Two years
<\$50,000	Three years

The Project LGA may be required to explain why the project is inactive, and submit an invoice for **Reimbursement** if necessary to reactivate the project.



**PROJECT INFORMATION DATA SHEET**  
 LOCAL PROGRAMS MANAGEMENT OFFICE  
 1595 MAIL SERVICE CENTER  
 RALEIGH, NORTH CAROLINA 27699-1595

**FOR NCDOT USE ONLY:**

**TIP #:** \_\_\_\_\_  
**WBS PE:** \_\_\_\_\_  
**WBS ROW:** \_\_\_\_\_  
**WBS CON:** \_\_\_\_\_

**NOTES:** BEFORE COMPLETING FORM, PROJECT MUST BE IN STIP

**ATTACH RESOLUTION FROM LOCAL GOVERNMENT COMMITTING MATCHING FUNDS FOR THE PROJECT**

**ATTACH RESOLUTION FROM MPO APPROVING STP-DA FUNDS FOR THE PROJECT (IF STP-DA)**

**PROJECT AGREEMENT WILL BE PREPARED UPON RECEIPT OF COMPLETED FORM**

**I. LOCAL GOVERNMENT AGENCY INFORMATION**

1.	Local Government Agency (LGA)	Check One:	<input type="checkbox"/> Village	<input type="checkbox"/> City	<input type="checkbox"/> State
			<input type="checkbox"/> Town	<input type="checkbox"/> County	<input type="checkbox"/> Federal
2.	LGA CONTACT:	TITLE:			
	MAILING ADDRESS (PO Box or Street):	CITY:	COUNTY:	STATE: NC	ZIP:
	PHONE:	FAX:	E-MAIL:		

**II. PROJECT INFORMATION**

3.	PROJECT NAME AND/OR ID NUMBER: (i.e. Elm St Turn Lanes, White Creek Greenway, 5 <sup>th</sup> Street Sidewalk, Bridge 547)	
4.	DETAILED DESCRIPTION OF PROJECT: (including termini, project length, and scope of work – attach location map)	
5.	IS PROJECT A CONTINUING/LATER PHASE OF A PREVIOUS OR CURRENT PROJECT(S)? IF YES, IDENTIFY PROJECT NUMBER(S) AND STATUS OF EARLIER PROJECT(S):	<input type="checkbox"/> YES <input type="checkbox"/> NO
6.	DOES ANY PART OF PROJECT ENCROACH ON THE NCDOT HIGHWAY SYSTEM?	<input type="checkbox"/> YES <input type="checkbox"/> NO
7.	DOES ANY PART OF PROJECT ENCROACH ON RAILROAD RIGHT OF WAY?	<input type="checkbox"/> YES <input type="checkbox"/> NO
8.	WHAT IS THE EXPECTED ECONOMIC OR USEFUL LIFE OF THE PROJECT? THE USEFUL LIFE IS THE AMOUNT OF TIME THE PROJECT SHOULD BE ACCESSIBLE TO THE GENERAL PUBLIC.	YEARS
9.	WHO WILL MAINTAIN THE PROJECT AFTER COMPLETION?	
10.	IS ALL RIGHT OF WAY/PROPERTY NEEDED FOR THE PROJECT IN PUBLIC OWNERSHIP OR PUBLICLY ACCESSIBLE BY LEASE OR EASEMENT?	<input type="checkbox"/> YES <input type="checkbox"/> NO
11.	WHAT IS THE EXPECTED COMPLETION DATE FOR - COMPLETION OF ALL PRE-CONSTRUCTION ACTIVITIES (ALL PLANS COMPLETE, ROW ACQUIRED, ETC.): COMPLETION OF ALL CONSTRUCTION ACTIVITIES ON THE PROJECT:	
12.	HAS ANY WORK BEGUN ON THE PROJECT? IF YES, EXPLAIN:	<input type="checkbox"/> YES <input type="checkbox"/> NO

### III. FUNDING INFORMATION

13.	Total Cost of Project	Federal Funds Programmed		Local Match	
	\$	\$	Percentage: %	\$	Percentage: %
13A.	Total Preliminary Engineering Cost	FEDERAL		LOCAL	
	\$	\$	Percentage: %	\$	Percentage: %
13B.	Total Right of Way Cost	FEDERAL		LOCAL	
	\$	\$	Percentage: %	\$	Percentage: %
13C.	Total Construction Cost	FEDERAL		LOCAL	
	\$	\$	Percentage: %	\$	Percentage: %
14.	ADDITIONAL INFORMATION ABOUT FUND SOURCE AND MATCHES:				
15.	FUNDING TYPE: <i>(check appropriate funding source)</i>				
	<input type="checkbox"/>	1. Transportation Enhancement			
	<input type="checkbox"/>	2. Congestion Mitigation and Air Quality			
	<input type="checkbox"/>	3. High Priority or other Federal earmark			
	<input type="checkbox"/>	4. Safe Routes to School			
	<input type="checkbox"/>	5. Bicycle and Pedestrian			
	<input type="checkbox"/>	6. Rail			
	<input type="checkbox"/>	7. Surface Transportation Program Direct Attributable (STP-DA) funds allocated by MPO			
	<input type="checkbox"/>	8. State			
	<input type="checkbox"/>	9. Other ( Explain)			
16.	PROVIDE ANY ADDITIONAL INFORMATION ABOUT THE PROJECT THAT IS NECESSARY FOR PREPARING THE AGREEMENT:				

#### SUBMITTAL DIRECTIONS:

E-MAIL PROJECT INFORMATION DATA SHEET WITH LOCATION MAP (AND PHOTOS IF AVAILABLE) OR MAIL A HARD COPY WITH ATTACHMENTS – ADDRESS BELOW TO THE ASSIGNED PROGRAM CONSULTANT FOR YOUR AREA:

<b><u>DIVISIONS 1-4, 6</u></b>	DEBBIE OLIVER VICK	<a href="mailto:dovick@ncdot.gov">dovick@ncdot.gov</a>	919-250-4148
<b><u>DIVISIONS 5, 7-9</u></b>	MARTA MATTHEWS	<a href="mailto:mtmatthews@ncdot.gov">mtmatthews@ncdot.gov</a>	919-250-4147
<b><u>DIVISIONS 10-14</u></b>	TABITHA DEMAREST	<a href="mailto:tdemarest@ncdot.gov">tdemarest@ncdot.gov</a>	919-250-4154

IF YOU HAVE ANY QUESTIONS, PLEASE CONTACT THE PROGRAM CONSULTANT FOR YOUR AREA.

LOCAL PROGRAMS MANAGEMENT OFFICE  
1595 Mail Service Center  
Raleigh, North Carolina 27699-1595

## PROJECT AGREEMENT

An Agreement sets out the roles and responsibilities of the NCDOT and any entity that is being affected by a transportation-related project. The provisions of an Agreement will be based on the funding source (state or federal), who is performing the work (NCDOT or Entity), and who is receiving reimbursement (NCDOT or Entity). In most instances, the entity will be a **Local Government Agency**.

**POLICY:** The **Local Government Agency** (LGA) and **NCDOT** will execute a Project Agreement that addresses relevant federal and state regulations governing the implementation of the Project. Each party must adhere to all provisions in order for funding participation to occur.

Any modifications, deletions, or additions to the Project Agreement must be agreed to in writing by **both parties**.

Preparing and executing a Project Agreement is the most important step in implementing a project. Without an agreement, the project cannot move forward.

The **Project Information Data Sheet** allows the preparation of an agreement that accurately describes the work and responsibilities of all parties. The Local Programs Handbook (this manual) will follow the outline of the Agreement and will spell out how the terms of the Agreement will be implemented.

The Agreement outlines the responsibilities and the consequences of failing to meet required procedures. The terms of the Agreement will define who has the primary responsibility for undertaking the design and construction of the project and or the implementation of the program being funded (NCDOT or LGA).

When the LGA has responsibility for all phases of the project, the LGA must be in compliance with all provisions of the Agreement in order for NCDOT to participate in the funding.

### Main components of the Agreement

- Description of the Project (as described in the **Project Information Data Sheet**);
- **Funding Participation**
- **Milestone Dates**
- Provisions concerning **Environmental Documentation**, **Design**, **Right of Way**, **Construction Administration**, **Construction**, and **Maintenance**;
- Terms governing **Reimbursement** and **Reporting Requirements**; and
- Signature page for LGA and NCDOT with date of full execution.

The Project Agreement must be fully executed **AND** funds must be authorized before NCDOT can participate in the costs of the project.

### **PROCEDURE for PREPARING AND EXECUTING a PROJECT AGREEMENT**

- NCDOT will draft a Project Agreement within 2 weeks of receiving a completed Project Information Data Sheet and will send to the other party (LGA) for review.
- A **Scoping Meeting** may be held for all involved persons to meet and discuss any particular issues for the Agreement. This is the opportunity for NCDOT staff to see the project site (if applicable) and for issues regarding project administration to be clarified.
- Once the draft is reviewed and commented on, NCDOT will send out the final Agreement to the LGA for signatures.
- After receiving the Agreement, the LGA has ninety (90) days to review, sign and return it to NCDOT. Full execution occurs when NCDOT signs the Agreement.
- NCDOT will then return a fully executed copy for the LGA's project file.

### **POSSIBLE AGREEMENT MODIFICATIONS**

The Agreement is a binding and legal document—any modifications, deletions, or additions must be agreed to in writing by all parties.

- Change to the scope of work (addition or deletion of work)
- Change to Milestone Dates
- Change to the parties of the agreement – usually only occurs when NCDOT Division Offices agree to undertake the design or construction of a project.
- Changes to the funding amount

### **PROCEDURE for MODIFICATION**

- The LGA submits a request, in writing, to modify the Agreement, describing the requested changes.
- NCDOT will review, and will respond in writing. Not all requested changes may be accepted.
- Changes may be made in the form of an amended or supplemental agreement, or may be documented via correspondence.

### **VOIDING AN AGREEMENT**

If for any reason a project cannot be completed as agreed upon, then the Agreement must be voided. There may be financial consequences – see REIMBURSEMENT section for more information.

**IMPORTANT: No work should be undertaken on a project before the Agreement is executed and Funding authorized. If work does take place on a particular phase, it will not be eligible for reimbursement by NCDOT and FHWA.**