

The Surface Transportation Block Grant (STBG) Program) is a federal transportation funding program that provides flexible funding to states for highway, bridge, transit capital, intercity mass transportation, bicycle and pedestrian projects, among other project types. The program is authorized by federal transportation bills, the most recent of which was the FAST - Fixing America's Surface Transportation Act. States are required to make these funds available to Transportation Management Area MPOs (Urbanized areas with a population greater than 200,000). These "direct attributable" (DA) funds are allocated by MPOs to member jurisdictions. The Winston-Salem Urban Area MPO (WSUAMPO) undertakes this process by issuing calls for projects.

On December 4, 2015, President Obama signed the FAST Act (Pub. L. No. 114-94) into law—the first federal law in over a decade to provide long-term funding certainty for surface transportation infrastructure planning and investment. The FAST Act converts the long-standing Surface Transportation Program (STP) into the Surface Transportation Block Grant (STBG) Program acknowledging that this program has the most flexible eligibilities among all Federal-aid highway programs and aligning the program's name with how FHWA has historically administered it. [FAST Act § 1109(a)]. The STBG promotes flexibility in State and local transportation decisions and provides flexible funding to best address State and local transportation needs.

The FAST Act eliminates the MAP-21 Transportation Alternatives Program (TAP) and replaces it with a set-aside of Surface Transportation Block Grant (STBG) program funding for transportation alternatives (TA). These set-aside funds include all projects and activities that were previously eligible under TAP, encompassing a variety of smaller-scale transportation projects such as pedestrian and bicycle facilities, recreational trails, safe routes to school projects, community improvements such as historic preservation and vegetation management, and environmental mitigation related to stormwater and habitat connectivity

As a Transportation Management Area Urban Area MPO, the WSUAMPO receives a direct sub-allocation of STBG-DA funds each year and an allocation of TA-DA funds each year. The primary requirement for utilizing these funds in our MPO area is: STBG-DA and TA-DA funds must be obligated to eligible projects through a competitive process, in consultation with the State from proposed projects submitted by eligible entities.

### **Programming STBG-DA and TA-DA Projects**

1. The MPO Staff contacts NCDOT's Division of Planning and Programming (DPP) to determine available STBG-DA and TA-DA funds.
2. MPO staff meets to develop a Draft Fiscal Year Program.  
MPO staff develops the parameters for the biannual *Call for Projects* (Minimum and Maximum project costs, Project Submittal Method, Eligibility, Monthly Project Updates sent to: MPO and NCDOT, etc...)
3. MPO staff will hold a biannual *Federal Funding Workshop*. The workshop will address the call for projects parameters, required documentation, timelines, budget issues, project delivery expectations, etc.
4. The TAC approves the call for projects, parameters, required documentation, criteria, timelines, budget, project delivery expectations, etc.
5. MPO staff initiates the biennial *Call for Projects*.
6. Jurisdictions submit projects ranked on their preference.
7. A project selection committee is formed to review projects ranked based on the criteria approved by The TAC. The committee will take into consideration, during its review, the jurisdiction preferences to ensure a competitive yet equitable distribution of funds.
8. The TAC takes formal action to program projects with available STBG-DA and TA-DA funding. The TAC must approve the project(s) and its action must state the funding committed based upon the applicable estimated cost of preliminary engineering (PE), right of way (ROW), and construction phase of the project as well as a schedule to accomplish each phase of the project. The MPO shall also document that the scope of work meets the eligibility requirements.
9. The DPP of NCDOT programs the project(s) based upon the information submitted with Board of Transportation concurrence. With concurrence, the DPP of NCDOT assigns individual STIP Project Numbers for each project.
10. The MPO identifies the Local Governmental Entity (LGE) that will administer the project in accordance with the STBG-DA Independent Project Guidelines.
11. The Local Programs Management Office (LPMO) will assign a NCDOT Project Manager (NCDOT PM) to coordinate the project for NCDOT.  
The NCDOT PM works with the LGE to execute an agreement to define funding and project responsibilities.

### **Implementing STBG-DA and TA-DA Projects**

12. LGE MUST review and familiarize themselves with the Local Programs Management Handbook and updates:  
<https://connect.ncdot.gov/municipalities/Funding/Pages/LPM%20Handbook.aspx>
13. The LGE will request an agreement through NCDOT's Project Management Tool (The EBS portal).
14. NCDOT's Local Projects Management Office (LPMO) will develop a Project Agreement based on the Project Information Data Sheet (PIDS) found on the EBS portal for all phases: Design (if applicable), Right-of-Way (ROW), Construction, etc. The agreement must be

- executed, and any required planning documents approved prior to NCDOT authorizing project specific phases: Design, ROW, Construction, etc. The agreement will define the project's location and whether the proposal is on a state or locally owned facility. The agreement will also specify the maintenance and liability responsibilities for the completed project.
15. The LGE will oversee project implementation once a project agreement is executed. The LGE ensures the terms of the agreement are adhered to for reimbursement.
  16. NCDOT Authorizes Preliminary Engineering (If this is a reimbursable phase of work).
  17. The LGE will prepare the Request for Letters of Interest (RFLOI) and advertise it after review and approval from LPMO.
  18. LMPO will approve the consultant selection as well as review and approve the unexecuted agreement between LGE and the consultant.
  19. The LGE will complete the preliminary engineering for the project. For projects requiring a document more comprehensive than a Type I Categorical Exclusion, a file copy of the approved planning environmental document should be forwarded to the NCDOT PM prior to, or with the request for ROW authorization for all projects.  
(**Note:** The LGE is responsible for evaluating the need for the facility (i.e., generators, safety, continuity, integration, existing or projected traffic) and public involvement. The LGE is responsible for certification to the Department that local governing standards and generally accepted engineering practices have been adhered to and a professional engineer has sealed the plans.)  
(**Note:** The LGE may use a Professional Engineering Firm (PEF) or in-house planning efforts. If a PEF is used, the LGE shall select a consultant in accordance with federal and State guidelines for procurement. The consultant selected to perform engineering services on a state maintained roadway must be pre-approved by NCDOT.)  
If PE and/or ROW is/are not a reimbursable phase(s) of work plans must still be approved and ROW certified by NCDOT if any other phase of work receives federal money.
  20. The LGE submits invoices to the NCDOT PM, at least once every six (6) months for engineering costs incurred as specified in the agreement. The invoice should note the project number and whether the invoice is a partial or final invoice. Proof of payment and supporting documentation is not necessary if the governmental entity is reporting under the Single Audit Act.  
(**Note:** The STBG-DA and TAP-DA programs are cost reimbursement programs with reimbursement on a quarterly basis. As per the North Carolina Board of Transportation's (NCBOT) Policy on Federally Funded Projects Selected by Entities Other than the NCBOT, the LGE is responsible for providing at least the 20% project matching funds to the STBG-DA funds authorized and all costs greater than the authorized STBG-DA funding. Additional funding can be authorized with the use of a supplemental agreement pending TAC approval.)
  21. Preliminary designs will be submitted by the LGE for review and approval by NCDOT PM. Preliminary design plans are to show design, profiles, typical section, construction limits, drainage, and proposed ROW and /or easements. The project shall be designed in accordance with federal and State regulations as well as AASHTO standards. A plan showing utility conflicts shall also be included with the final plans.
  22. NCDOT PM and PDEA approves the planning document.

23. The LGE obtains any required permits for the project and verifies to the NCDOT PM that all such required permits have been obtained and have not expired prior to project construction.
24. NCDOT authorizes ROW funding upon completion of the environmental document and receipt of a request for ROW funding in the listed dollar amount per the attached preliminary plans. The LGE is responsible for the acquisition of ROW or easements and such acquisition must be certified in accordance with the Federal Aid Policy Guide, Part 710. Certification of existing municipally owned ROW shall be in accordance with procedures governing the acquisition of ROW. ROW costs or utility relocation costs incurred prior to NCDOT authorization of ROW funding will not be reimbursed.  
(**Note:** It is recommended that the LGE contact the Division ROW Agent prior to initiating any ROW acquisition to review the preliminary ROW plans and the required negotiation and relocation processes that must be followed and to determine if an encroachment agreement is necessary.)
25. The LGE shall accomplish or cause to be accomplished the relocation and/or adjustment of any and all publicly or privately owned utilities in conflict with the project.
26. Prior to the LGE advertising for construction bids, the LGE shall submit final plans, specifications, and contractor's estimates (PS&E package) for construction funding federal authorization. For projects on the state maintained roadway system, the PS&E package should include 3 sets of final plans/2 copies of contract proposals for NCDOT for review and approval prior to advertisement of the construction project.
27. The LGE shall advertise the project as per the FHWA regulations as contained in the Federal-Aid Policy Guide.
28. The LGE shall submit a bid tabulation with DBE goals stated (along with 2 copies of the construction contract for projects on the state maintained system) to the NCDOT PM prior to award of the construction contract by the LGE. The NCDOT PM will notify the LGE of FHWA and Departmental concurrence, thereby authorizing the LGE to proceed with the awarding of the construction contract.
29. The LGE will oversee and inspect the project construction. The Local DOT Division Office should also be consulted and will be responsible for performing the final project inspection. The LGE submits all paid construction invoices to the NCDOT PM for review and reimbursement subject to all conditions as contained within the project Agreement. The LGE must adhere to cost principles as contained in OMB Circular A-87, Administrative Requirements as contained in 49 CFR 18, and shall arrange for an independent audit in compliance with NCGS 159-34 and in accordance with OMB Circular A-128..

**WSMPO Policies**

1. The Biannual *call for projects* will be held after the release of the STIP. This will give an opportunity for projects that were not selected through Prioritization to be considered for STBG-DA and TA-DA funding.
2. Funding may be distributed as follows:

Bicycle and Pedestrian	40%
Greenway	20%
Intersections	5%
Small Roadway	5%
WSTA	7%
PART	5%
Davidson Transit	3%
Reserve	10%
Planning Studies	5%

This funding distribution is subject to change based on the MPO’s current needs

3. A Project application form must be **COMPLETED** and submitted along with other supporting documentation such as studies, traffic counts, crash data, etc. in order for a project to be evaluated (Attached).  
 (Note: The Application form will assist in identifying potential pitfalls such as utility and ROW conflicts.)
4. Total project cost estimate must include 10% for NCDOT processing cost
5. Programming STBG-DA funds that have yet to be allocated to the MPO is prohibited.  
 (Note: Estimates of capital cost, ranging from detailed engineer’s estimates to planning-level cost estimates, should be as refined as appropriate for the project’s stage in the project development process. Cost estimates used to program or setting aside future funds will more than likely need to be revised in the future, resulting in the need for additional funds.)
6. Only Safety and STIP projects partially funded by the NCDOT may be brought to the attention of the TAC and considered for funding outside of the scheduled *Call for Projects*.  
 (Note: There is a limited amount of funds available for each *Call for Projects*. Consideration of any project that was not approved by the TAC during the Call for Projects reduces the contingency funds for the approved projects.)
7. During each call for projects 10% of the available STBG-DA funds will serve as a contingency for the cumulative total of project costs approved. The TAC has the authority to grant additional STBG-DA funds for projects upon request under reasonable circumstances.

(**Note:** Adhering to the budget established for a given Call for Projects ensures that subsequent Calls occur without delay. From 2009 to 2014 the average cost increase approved by the TAC was 73% above the original cost estimate.)

8. An executed Locally Administered Project Agreement with the State must be in place no later than nine (9) months after Programming in the STIP by the NC Board of Transportation. If a project fails to secure an executed agreement funding is revoked and the project must be resubmitted during the next call for projects.

(**Note:** Prompt project delivery has significant benefits: Reduces risk of funds subject to lapse; demonstrates that the MPO can spend its yearly allocation of funds; reduces the impact on the MPO subject to federal rescission.)

9. If an approved project is canceled, the associated STBG-DA funds remaining revert back to the MPO's unobligated balance. If a Municipality decides to cancel a Project without the concurrence of the NCDOT, the Municipality shall reimburse the NCDOT one hundred percent (100%) of all costs expended by the NCDOT associated with the Project.

10. Once a project is approved for funding, scope changes that result in a category shift are prohibited. For example, a sidewalk project's scope can't be modified to include a lane widening.

(**Note:** Project categories are identified prior to each *Call for Projects*. Typical categories: Intersection Improvements, Small Roadway Improvements, and Bicycle and Pedestrian Improvements. Projects are ranked per category and funding is awarded to select projects in each category. Scope modification often result in the need for additional STBG-DA funds.)

11. Once a project is approved for funding, scope changes that deviate from the location of the approved project are prohibited. For example, an intersection improvement project at location A cannot become an intersection improvement project at location B.

(**Note:** Each project is evaluated based on the parameters submitted during the Call for Projects. Changing a project's location introduces new variables that must be evaluated before an award of funding.)

**STP-DA/TAP Programming Schedule**

1	Available STBG-DA and TA-DA funds Identified	November, 2021
2	MPO staff develops a Draft Fiscal Year Program	November, 2021
<b>3</b>	<b>Federal Funding Workshop</b>	<b>November 17, 2021</b>
<b>4</b>	<b>Biennial Call for Projects</b>	<b>January 4, 2022</b>
5	Project Selection Committees	February, 2022
6	TAC Review	March 17, 2022
7	TAC Action	May 19, 2022
8	STIP Programing	August, 2022
9	Project Implementation	September, 2022
10	Project Agreement Deadline	June, 2022
11	Available STBG-DA and TA-DA funds Identified	October, 2022
12	MPO staff develops a Draft Fiscal Year Program	October, 2022
13	Federal Funding Workshop	November, 2022
<b>14</b>	<b>Biennial Call for Projects</b>	<b>January, 2023</b>
15	Project Selection Committees	February, 2023
16	TAC Review	March, 2023
17	TAC Action	May, 2023
18	STIP Programing	July, 2023
19	Project Implementation	August, 2023
20	Project Agreement Deadline	March, 2023

**TAC Meeting Information**

The Transportation Advisory Committee (TAC) and Technical Coordinating Committee (TCC) meet bimonthly on the third Thursday or on an as-needed basis. Action items are presented as information prior to taking action, spanning two (2) meetings.

**North Carolina Board of Transportation Information**

The board meets monthly in Raleigh, typically the first Thursday of each month, with subcommittee meetings held the first Wednesday. Action items are presented as a handout prior to taking action, spanning two (2) meetings.

**Comments or Questions**

Comments or Questions Please Contact: Kelly Garvin

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