



Strategic Prioritization Office of Transportation Local Input Point Assignment Methodology

Introduction

The Down East Rural Planning Organization (DERPO), covering Carteret, Craven, Jones, Onslow and Pamlico Counties, is required by the Strategic Transportation Investments law to develop a local input methodology for prioritizing all transportation projects (aviation, bike and pedestrian, ferry, highway, public transportation and rail) within the RPO boundary that may compete for state and federal funding, and to submit the methodology to the North Carolina Department of Transportation (NCDOT) for approval.

The DERPO has developed this prioritization method in an effort to satisfy the quantitative, data-driven requirements of the legislation while protecting the discretion of local officials by incorporating subjective, qualitative local input where possible.

This process is intended to be open and transparent. As such, all meetings of the Technical Coordinating Committee (TCC) and Transportation Advisory Committee (TAC) are open to the public and public participation will be solicited at these meetings and through an advertised Public Comment Period. In addition, the draft methodology and preliminary point assignments will be posted at the Eastern Carolina Council of Governments' DERPO webpage:

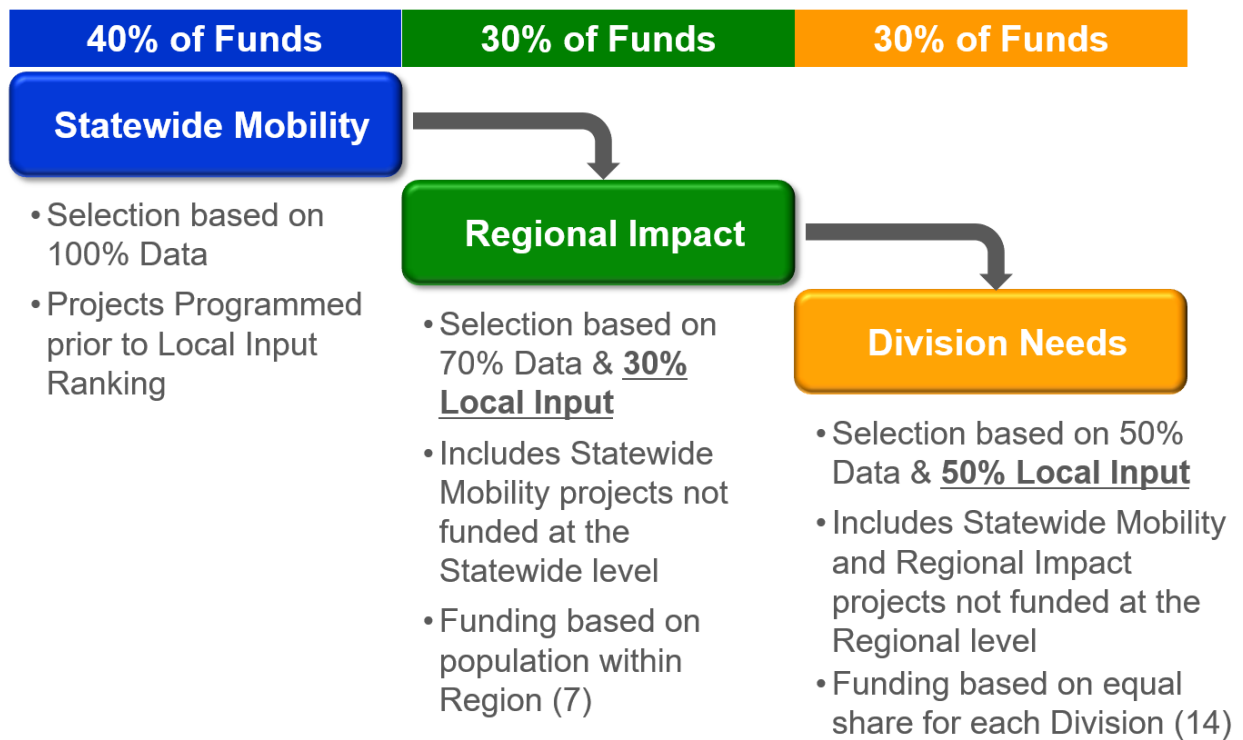
<http://www.eccog.org/derpo/ncdot-prioritization/> along with instructions for submitting comments. Comments will be collected by the RPO Coordinator and distributed to the TCC and TAC as part of their normal meeting packets.

The Strategic Transportation Investments (STI) law (GS 136-189.10 and .11), enacted in 2013, directs NCDOT to select and fund major capital improvement projects using a data-driven prioritization process in combination with local input. Under STI, all major capital mobility/expansion and modernization projects across all six modes of transportation compete for funding. Each project is classified into one of three funding categories – Statewide Mobility, Regional Impact, or Division Needs – where it competes for funds with other eligible projects.

Statewide Mobility eligible projects compete against all other projects in this category across the state, and project selection is based 100% on the data-driven quantitative score. Regional Impact projects compete against all other projects in this category within the same funding region (consisting of two NCDOT Transportation Divisions), and selection is based 70% on the quantitative score and 30% on local input (15% MPO/RPO priority and 15% NCDOT Division

Engineer priority). Division Needs projects compete against all other projects within the same NCDOT Transportation Division, and selection is based 50% on quantitative score and 50% on local input (25% MPO/RPO priority and 25% NCDOT Division Engineer priority).

The STI law includes an innovative component known as cascading, where projects not funded in the Statewide Mobility category are eligible for funding in the Regional Impact category. Similarly, projects not funded in the Regional Impact category are eligible for Division Needs funds. Projects that cascade down are then subject to the scoring criteria and local input for the respective funding category.



Project eligibility for each STI category, as defined in law, is shown below.

STI Project Eligibility			
Mode	Statewide Mobility	Regional Impact	Division Needs
Highway	<ul style="list-style-type: none"> Interstates (existing & future) NHS routes (as of July 1, 2012) STRAHNET Routes ADHS Routes Uncompleted Intrastate projects Designated Toll Facilities 	Other US and NC Routes	All County (SR) Routes
Aviation	Large Commercial Service Airports (\$500K cap)	Other Commercial Service Airports not in Statewide (\$300K cap)	All Airports without Commercial Service (\$18.5M cap)
Bicycle-Pedestrian	N/A	N/A	All projects (\$0 state funds)
Public Transportation	N/A	Service spanning two or more counties (10% cap)	All other service, including terminals, stations, and facilities
Ferry	N/A	Ferry expansion	Replacement vessels
Rail	Freight Capacity Service on Class I Railroad Corridors	Rail service spanning two or more counties not Statewide	Rail service not included on Statewide or Regional

MPOs/RPOs and Divisions indicate priority by applying local input points to projects. Each organization receives a baseline of 1,000 local input points, with additional points (up to 2,500) based on population. Down East RPO has a total of 1,400 points to apply to projects in the Regional Impact category and a total of 1,400 points to apply to projects in the Division Needs category. State law requires NCDOT to approve how each organization will assign points to projects, in a document known as their Local Input Point Methodology.

Schedule

During every Prioritization cycle the DERPO will create a Prioritization Sub-committee where at least one voting member from each of the five counties and the two NCDOT Highway Divisions will participate. This Sub-committee will make the initial draft local point assignments.

At the initial convening of the Sub-committee any changes to Strategic Transportation Improvement legislation or the SPOT formulas, rankings, or process will be reviewed and discussed. Based on that review this methodology will be revisited to make any changes or adjustments necessary to remain in compliance and to optimize our prioritization process to the needs of the DERPO region. Any

changes or adjustments will be made available for public comment and subsequently approved by the TCC and TAC prior to being enacted.

When NCDOT opens the window for submission of new candidate projects the Sub-committee will meet to review existing SPOT projects from every transportation mode with the potential to be removed from the system and new candidate projects from every transportation mode with the potential to be submitted to the SPOT scoring system. The recommendations from this Sub-committee will be presented to the TCC and TAC at their next regularly scheduled meeting for approval. This meeting is open to the public.

After Statewide Mobility projects are programmed and quantitative scores are released the Sub-committee will meet to determine point assignments based on the scoring criteria described below and consultation with NCDOT Division staff, neighboring MPOs and RPOs, local aviation, ferry, port, rail and transit operators. As soon as those preliminary scores are calculated they will be posted on the Eastern Carolina Council of Governments' DERPO webpage:

<http://www.eccog.org/derpo/ncdot-prioritization/> for public review and comment for no less than 30 days. Any public comment gathered during this time will be considered when applying Local Input Points.

The TCC and TAC will review the final Regional Impact Project Scores provided by the Sub-committee and discuss final application of Local Input Points at their meetings, which will be public meetings where public comment will specifically be sought on the final scores and where the public comments, and any others received during the prioritization process, will be a basis for applying points. Local Input Points will be discussed in an open meeting and any points assigned and their justifications will be documented in the meeting minutes. Final adjusted scores approved by the TAC will be posted, with any appropriate justifications necessary, to the RPO website at that time. Final Regional Impact points will be entered into SPOT Online at this time.

After the Regional Impact programmed projects are released by NCDOT the Sub-committee will meet to generate the Division Needs Local Input Scores based on the scoring criteria described below and consultation with NCDOT Division staff, neighboring MPOs and RPOs, local aviation, ferry, port, rail and transit operators. As soon as those preliminary scores are calculated they will be posted on the Eastern Carolina Council of Governments' DERPO webpage:

<http://www.eccog.org/derpo/ncdot-prioritization/> for public review and comment for no less than 30 days. Any public comment gathered during this time will be considered when applying Local Input Points.

The TCC and TAC will review the final Division Needs Project Scores provided by the Sub-committee and discuss final application of Local Input Points at their meetings, which will be public meetings where public comment will specifically be sought on the final scores and where the public comments, and any others received during the prioritization process, will be a basis for applying points. Local Input Points will be discussed in an open meeting and any points assigned and their

justifications will be documented in the meeting minutes. Final adjusted scores approved by the TAC will be posted, with any appropriate justifications necessary, to the RPO website at that time. Final Division Needs points will be entered into SPOT Online at this time.

For Prioritization 5 the timeline is as follows:

- Quantitative scores are released for Prioritization 5 projects by NCDOT (March 31, 2018)
- Proposed Local Regional Impact input points are allocated to Prioritization 5 projects (April-July 2018)
- A 30 day public comment period is provided to review and comment on local Regional Impact input point allocations (May 2018)
- DERPO TAC endorses final local Regional Impact input point allocations and submits them to NCDOT (Summer 2018)
- Proposed Local Division Needs input points are allocated to Prioritization 5 projects (September-October 2018)
- A 30 day public comment period is provided to review and comment on local Division Needs input point allocations (September 2018)
- DERPO TAC endorses final local Division Needs input point allocations and submits them to NCDOT (October 30, 2018)
- Final scores are issued to Prioritization 5 projects and posted on the DERPO website (October 2018)
- NCDOT releases draft STIP (January 2019)

Process

Assigning local priority points is based on a combination of the quantitative technical score provided by SPOT, and a qualitative evaluation of the competitiveness of each project with respect to its potential funding category. It is the policy of the Down East Rural Planning Organization that the RPO will, by default, not assign points to any cascading project, but reserves the right to address cascading projects on a case-by-case basis, and will provide written explanation and justification for any cascading project that deviates from the original ranking.

Each MPO, RPO, and Division can assign a maximum of 100 points to each project; however, projects receiving zero priority points are still included in the prioritization with their total scores being based solely on their quantitative data points. For projects that span multiple MPOs/RPOs, the maximum points each organization can submit is equal to the percentage of the project in the organization (for a high priority, DERPO would allocate 45 points for a project 45% within the DERPO region). Organizations are allowed to donate points to a neighboring MPO/RPO for a project outside of their area that is a high priority.

Scoring Criteria

To address prioritization across all modes of transportation, the RPO establishes target modal mixes for both the Regional Impact and Division Needs categories. These target point mixes are flexible but provide the initial budget of points per mode. Projects that are unable to meet the competitive threshold are deemed “uncompetitive” within the Strategic Prioritization system and do not receive local prioritization points. In the absence of a competitive project(s) for a mode, the target modal points are redistributed across the other modes based on the original distribution percentages. Table 2 below shows the target modal mixes adopted by the RPO for Strategic Prioritization 5.

Mode	Regional Impact	Division Needs
Aviation	N/A	100
Bicycle / Pedestrian	N/A	300
Ferry	N/A	100
Highway	1300	800
Public Transportation	N/A	100
Rail	100	0
Total	1400	1400

Table 2. Down East RPO Strategic Prioritization Target Modal Mixes

The RPO’s SPOT sub-committee reviews the target modal mixes for each Strategic Prioritization cycle and recommends adjustments to the targets as necessary. To determine the modal mix for the fifth round of Strategic Prioritization, the RPO’s SPOT sub-committee reviewed the previous cycles of Strategic Prioritization and the number of projects submitted per mode. The TCC and TAC approve the target modal mixes, which allows staff to begin the recommended point allocation.

The RPO developed a methodology for distribution of prioritization points that maximizes the number of projects deemed to be competitive for advancement into the initial phase of the process and that addresses as many quantified transportation needs, regardless of mode, as possible. This process is based on the TAC decision to maximize the number of projects demonstrating need that score high enough to be considered for potential funding. This approach ensures that the maximum overall improvement to our regional network can be prioritized and potentially funded through the STI funding requirements in the STIP. This notion of maximizing funding potential and the number of competitive projects is the fundamental principle guiding the RPO’s local priority point allocation.

Competitiveness is a relative term that simply describes the likelihood of a project advancing to the next step of programming. It should be noted that prioritization is simply one step of many towards the actual programming and completion of a project. The RPO estimates competitiveness based on a number of factors such as the projected revenue for the upcoming programming period, the priorities of neighboring MPOs and RPOs, how Division Engineers prioritize projects in previous

cycles, and certainly the other transportation projects competing for funding within a given STI category. After reviewing all relevant factors, the RPO estimates the minimum SPOT score needed for consideration for programming. The RPO then examines the NCDOT calculated quantitative scores and assigns local priority points to the highest scoring projects in order to maximize the number of projects that meet the competitive threshold. The following figures illustrate this methodology.

Figure X (this is a visualization, not actual scores) shows a sampling of projects plotted by their NCDOT calculated quantitative scores. Based on these plotted scores and the funding available, the RPO estimated the competitive threshold to be approximately a project score of 43, shown as the red line. Projects already exceeding a score of 43 are already deemed competitive and thus do not benefit from additional local priority points.

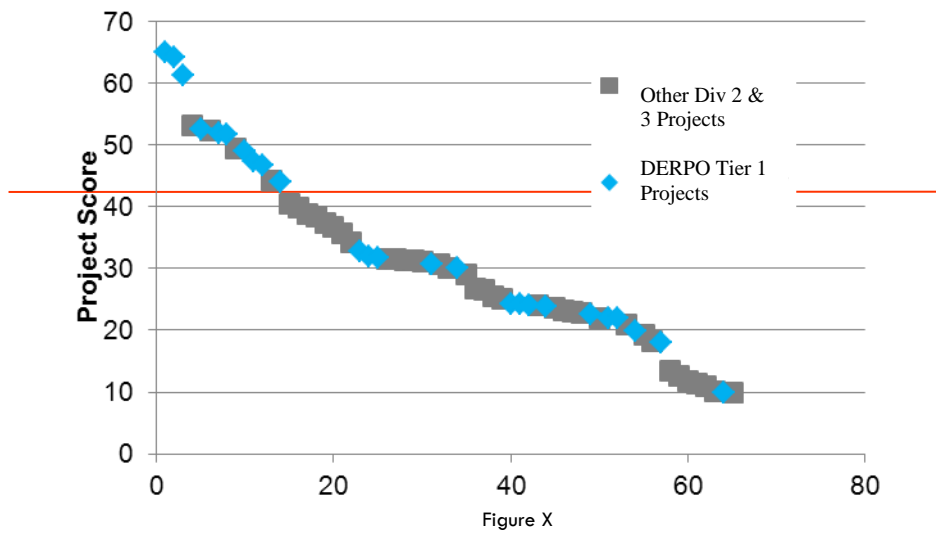
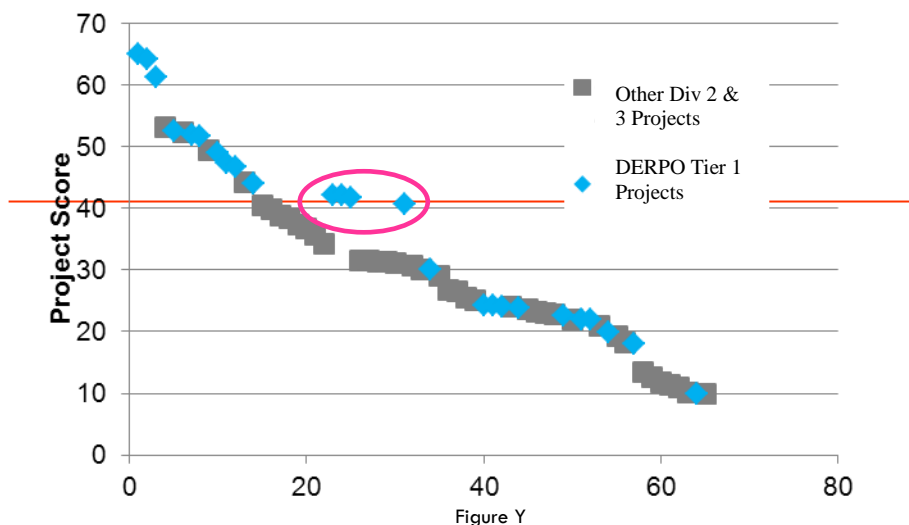


Figure Y (this is a visualization, not actual scores) below shows the results of assigning local priority points to those projects just under the competitive threshold. Using this methodology results in more RPO projects ultimately being considered for the next step of programming.



It should be noted that in some cases a project's quantitative score may be so low that even with the maximum number of local priority points (100 points), it may not meet the competitive threshold. In these cases, the project is deemed uncompetitive and local priority points are not assigned. Competitiveness varies across STI categories and modes because the amount of funding changes as does the number and types of projects competing for funding. A quantitative score of 50 in Craven County (Region B, Division 2) may be deemed more competitive than a quantitative score of 60 in Onslow County (Region B, Division 3) because of the competition and funding for those two different Divisions. Therefore, the RPO estimates competitive thresholds for all STI Regions, Divisions, and modes.

This methodology recognizes that a high score in the Strategic Prioritization process is the first step, with many other major contributing factors impacting the STIP project funding decisions. In part, these include fiscal constraint (both state/federal and local/private), cash flow, regulatory compatibility and funding source availability/eligibility for the region.

To achieve maximum funding potential for the maximum number of projects, the 1,400 points per category are applied where they have the greatest overall impact to the network, thus making a group of projects that are highly effective potentially competitive for STIP programming. Point allocation for each STI category is evaluated separately because funding levels are set by STI category, and projects are initially prioritized with other projects of the same category. Once the competitive threshold is determined, only enough points are applied to the competitive projects to meet or slightly exceed the threshold calculated for each STI category. This approach ensures that the RPO is prioritizing a suite of improvements that provide for the maximum network benefit. Point assignments may be modified by the TAC to provide local oversight to the data-driven process, to compensate for situations where the methodology does not accurately reflect the TAC's priorities, and to ensure appropriate projects at the relevant tier. Justifications for modifying point assignments include project cost, point sharing arrangements, estimated points required for funding, modal distribution, new information, methodology failures, potential reconsideration of the limits of a programmed project, and public comment. The justifications for any final point assignments that deviate from published point assignments will, at minimum, be noted in the final point assignment worksheet and documented in the meeting minutes.

Material Sharing

The following information, at minimum, will be made available on the Down East RPO website:

- A link to the NCDOT STI Prioritization Resources website;
- The adopted Down East RPO P5.0 Local Input Prioritization Methodology;
- Highlights of schedule milestones, including public comment periods and public meeting schedules; and
- Preliminary and final local input point assignment sheets, including justifications of methodology deviations.