

STIP REPROGRAMMING – AUGUST 2020

Balancing Components

- **Available Revenue** – the amount of revenue for the STIP Rebalancing was reduced by over \$2 B for the 2020-2029 timeframe
- **Cash balance considerations** – this affects primarily the first couple of years of the program. Many of these adjustments have already been or are already being made by project delivery managers; some of these appear on the August Item N handout.
- **Fiscal constraint** – Ensure that we have sufficient budget on a yearly basis to deliver the projects as scheduled.
- **BUILD NC bond allocation constraints** – this has 2 components: 1) using \$700M of bond capacity to bond active construction projects in accordance with HB 77, and 2) applying bonds beyond Years 2 and 3 in a way ties the amount of bonding in any given sale year to statutory provisions.
- **GARVEE bond allocation** – this responds to the additional bonding capacity afforded by HB 77 and involved identifying projects and scheduling them so as to meet bond spend targets for projected sale years.
- **STI funding constraints** – this involves staying within the not-to-exceed targets for each category in the 5-year and 10-year timeframes, and staying under the Statewide Mobility Corridor cap for applicable projects.

Parameters Considered in Delay Decisions

The basis of delay for individual projects was ultimately driven by the above constraints, and what decisions enabled the STIP Unit to meet them. Where there was any flexibility in the decision-making, the following factors were considered:

- **Active bond or grant funding commitments** – projects for which an existing spend commitment is in place were not delayed. Examples would be BUILD NC, GARVEE, INFRA, TIGER, Federal BUILD grants, and CRISI.
- **Getting the maximum benefit from as few projects as practical** – relatively high-cost projects and projects that experienced substantial cost increases since adoption of the 20-29 STIP had a higher possibility of being delayed.
- **Project delivery status** – projects that were well in development had a lower probability of being delayed than projects for which no work has yet begun.
- **Committed status** – where practical, non-committed projects were more likely to be delayed, since they would need to re-compete in P6.0 anyway.
- **Relative Pn.0 score** – for committed projects, relative score order was considered; however this could only be done between projects committed in the same Pn.0 cycle, due to differences in scoring methodology from one cycle to the next.