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# **North Carolina Department of Transportation**

## **Sponsorship Policy & Procedures**



September 4, 2014

# **SPONSORSHIP POLICY AND PROCEDURES**

## **PURPOSE**

This document establishes a policy concerning the North Carolina Department of Transportation (Department) sponsorship program that allows for private sponsorship of the Department's operational activities or other highway-related services or programs, in return for acknowledgment of that sponsorship. This document establishes the Department's general policy for sponsorship programs. It is intended to be open-ended enough to encompass current and potential sponsorship opportunities, while ensuring conformity with appropriate Federal and State guidelines.

Sponsorship is an innovative way to offset the cost of operations while providing enhanced services to the citizens of North Carolina. The Department will be receptive to program, project and site sponsorship opportunities. An April 23, 2008 memo from the Federal Highway Administration (FHWA) available at <http://www.ops.fhwa.dot.gov/regulationpolicy/fmpmemo/> urged state DOTs to seek sponsorship opportunities for programs facing funding challenges, such as congestion management and traveler information systems. FHWA's support for and guidance on these programs is included in FHWA Order 5160.1A dated April 7, 2014, available at <http://www.fhwa.dot.gov/legsregs/directives/orders/51601a.cfm>.

This document serves as a guideline governing acknowledgment of sponsorship and revenue generation agreements, or contracts, related to transportation infrastructure and programs under the Department's jurisdiction. The provisions of this document apply to new and modified installations placed under a Sponsorship Agreement executed on or after the effective date of this policy. Existing acknowledgment signs already installed do not have to be modified to accommodate this policy.

This document does not govern the procurement of Sponsorship Agreements. Procurement of such agreements will generally be in accordance with the North Carolina Department of Transportation Public Private Partnerships Policy & Procedures, or as otherwise required by applicable law.

## **AUTHORITY**

FHWA Order 5160.1A

General Statue 136-28.1(l)

General Statue 136-28.1(m)

General Statue 136-82(f)

Session Law 2014-58

## **DEFINITIONS**

Acknowledgment Sign:	Signs that are intended only to inform the traveling public that a highway-related service, product, or monetary contribution has been sponsored by a person, firm, or entity. Acknowledgment signs are installed only as independent sign assemblies.
Acknowledgment Plaque:	Plaques that are intended only to inform the traveling public that a highway-related service, product or monetary contribution has been sponsored by a person, firm or entity. Acknowledgment plaques are installed only in the same assembly below the primary sign that provides the road user specific information on accessing the service being sponsored.
Advertise:	To provide information on a sign which includes, but is not limited to, any of the following: promotional offers, location directions, a listing of amenities, descriptive words or phrases, telephone numbers, Internet addresses including domain names, slogans or any message that is extraneous to the identification of a sponsoring person, firm, or entity.
Advertisement or Advertising Sign:	A sign that is intended to promote commercial products or services through the use of slogans and information and informs the public on where to obtain the products or services.
Department:	North Carolina Department of Transportation.
MUTCD:	Manual on Uniform Traffic Control Devices. Published by the FHWA to define the standards used by road managers nationwide to install and maintain traffic control devices.
Rest area:	An area or site established and maintained within or adjacent to the right-of-way of an interstate or primary highway under supervision and control of the Department for the safety, recreation, and convenience of the traveling public.
Sponsor:	A person, firm or entity which has been approved by the Department for the sponsorship program.
Sponsorship Agreement:	An agreement or contract between the Department and a sponsoring organization to be acknowledged for a highway-related service, product or monetary contribution provided.
Sponsorship Oversight Committee:	Committee including representatives from the Office of the Secretary of Transportation, Chief

Engineer's Office, Financial Management Division, Technical Services Division, Preconstruction, Transportation Program Management Unit, Transportation Mobility and Safety Division that will serve to oversee the Sponsorship Program.

Sponsorship Program:

The program administered by the Department that allows a person, a firm, or an entity to sponsor an element of the Department's highway operation through the provision of highway-related services, products and any voluntary or monetary contributions.

### **SPONSORSHIP CONCEPT**

The general concept is to support or supplement Department operations and maintenance program activities through voluntary activities and/or funds generated by sponsorship. The sponsoring entity may either provide or support the maintenance, operation or enhancement of Department programs, services or facilities. In return, sponsors will receive acknowledgment signs/plaques or other forms of acknowledgment that will publicly recognize their partnership with the Department.

The Sponsorship Program will allow for private sponsorship of Department operational activities or other highway-related services or programs. Under this Sponsorship Program, the Department may enter into a sponsorship agreement with a person, firm or entity through which the Department would receive a highway-related service, product or monetary contribution in exchange for acknowledging the person, firm or entity. Sponsorship agreements may be of any duration that is economically sustainable and that provides a net benefit to the public. A sponsorship agreement concerning any portion of the interstate highway system shall be subject to approval by the Federal Highway Administration.

Sponsorship opportunities may be of varying duration, and may include, but not be limited to:

- Adopt-A-Highway litter removal program
- Sponsor-A-Highway litter removal programs
- Traveler information services, such as 511
- Incident Management Assistance Patrols
- Weigh stations
- Rest Areas and Welcome Centers
- Ferries and Ferry support facilities
- Print and electronic publications
- Highway beautification
- Smartphone applications
- Other highway facilities

Pursuant to the FHWA Policy on Sponsorship Acknowledgment and Agreements Within the Public Right-of-Way dated April 7, 2014:

- For facilities on which federal aid funds have been used, the sponsorship money must be used only for highway purposes.
- For facilities on which federal aid funds have not been used, the sponsorship money must be used in accordance with applicable State Law.
- To be an eligible sponsoring organization, an entity must comply with Federal and State laws prohibiting discrimination based on race, color, age, sex, disability, national origin, and other applicable laws.
- Agreements will include provisions for the operations or maintenance of physical elements during the contractual term and removal after the agreement expires or the sponsor withdraws.
- Agreements will include termination clauses for sponsorship agreements based on:
  - Safety concerns,
  - Interference with the free and safe flow of traffic, or
  - A determination that the sponsorship agreement or acknowledgment is not in the State or public interest.

### **ACKNOWLEDGMENT POLICY**

Federal and State law prohibits advertising on public right-of-way. This position is founded on safety and operational concerns, particularly as related to driver distraction. The Department makes a distinction between advertising and acknowledgement, as consistent with an FHWA Order 5160.1A. Advertising generally has little, if any, relationship to a highway service provided. A sign that goes beyond recognizing the company's contribution to a particular highway service at a specific highway site, or that includes telephone numbers, internet addresses, or directional information, is considered advertising, not acknowledgement.

While advertising on the public right-of-way is not allowed, acknowledging a sponsor for providing a highway related service is allowed. Acknowledgment is a way of recognizing an individual, company, business, volunteer group or other entity that contributes to the support of a highway-related service. Acknowledgement signs/plaques must comply with the FHWA's Manual on Uniform Traffic Control Devices, the Standard Highway Signs and Markings Book, and FHWA Order 5160.1A. Placement and design of acknowledgement signs/plaques should follow sound and basic engineering practices such as simplifying sign message content, reasonable sign sizes, and minimizing driver distraction.

### **SPONSORSHIP OVERSIGHT COMMITTEE**

Various subcommittees will be established on an as-needed basis to oversee the development of specific Sponsorship Agreements and study and recommend sponsorship opportunities. However, the Department will maintain a leadership level Sponsorship Oversight Committee to oversee the Sponsorship Program. The Sponsorship Oversight Committee shall:

- Implement and administer the Sponsorship Program in a manner that ensures it is compliant with pertinent federal and state laws, rules, regulations, and orders, and allows the person, firm or entity to sponsor operational activities or other highway-related services or programs through the provision of a highway-related service, product, or

monetary contribution.

- Be responsible for timely review and decisions regarding new sponsorship agreements, issues, and other new opportunities;
- Be responsible for rendering decisions related to questions regarding federal or state regulatory agency directives pertaining to sponsorship;
- Be responsible for continuous oversight and review of the Sponsorship Program;
- Ensure that sponsorship money for Federal-aid facilities is only used for highway purposes. Ensure that sponsorships that are revenue-neutral provide benefits to the Department that could not be otherwise realized without implementation of the sponsorship;
- Recommend to the Board of Transportation the termination of any agreement or contract when any aspect thereof creates safety concerns, interferes with the free and safe flow of traffic or is determined not to be in the State or public interest;
- Seek and receive approval from the FHWA Division Administrator for all sponsorship agreements involving the Interstate system.

The Sponsorship Oversight Committee will primarily be responsible for maintaining this policy and for providing advice, direction and coordination regarding the Department's Sponsorship Program. The Sponsorship Oversight Committee will determine whether the opportunity is appropriate and acceptable to the Department, and consistent with the policies and directives of the Department and the FHWA. Specific subject matter experts may be called upon for assistance as required.

Once an opportunity has been selected, the committee will identify the program(s) eligible for sponsorship and request that the Transportation Program Management Unit (TPMU), in concert with other applicable business units, prepare the Request for Information (RFI), Request for Qualifications (RFQ), and/or Request for Proposal (RFP) and associated Sponsorship Agreement.