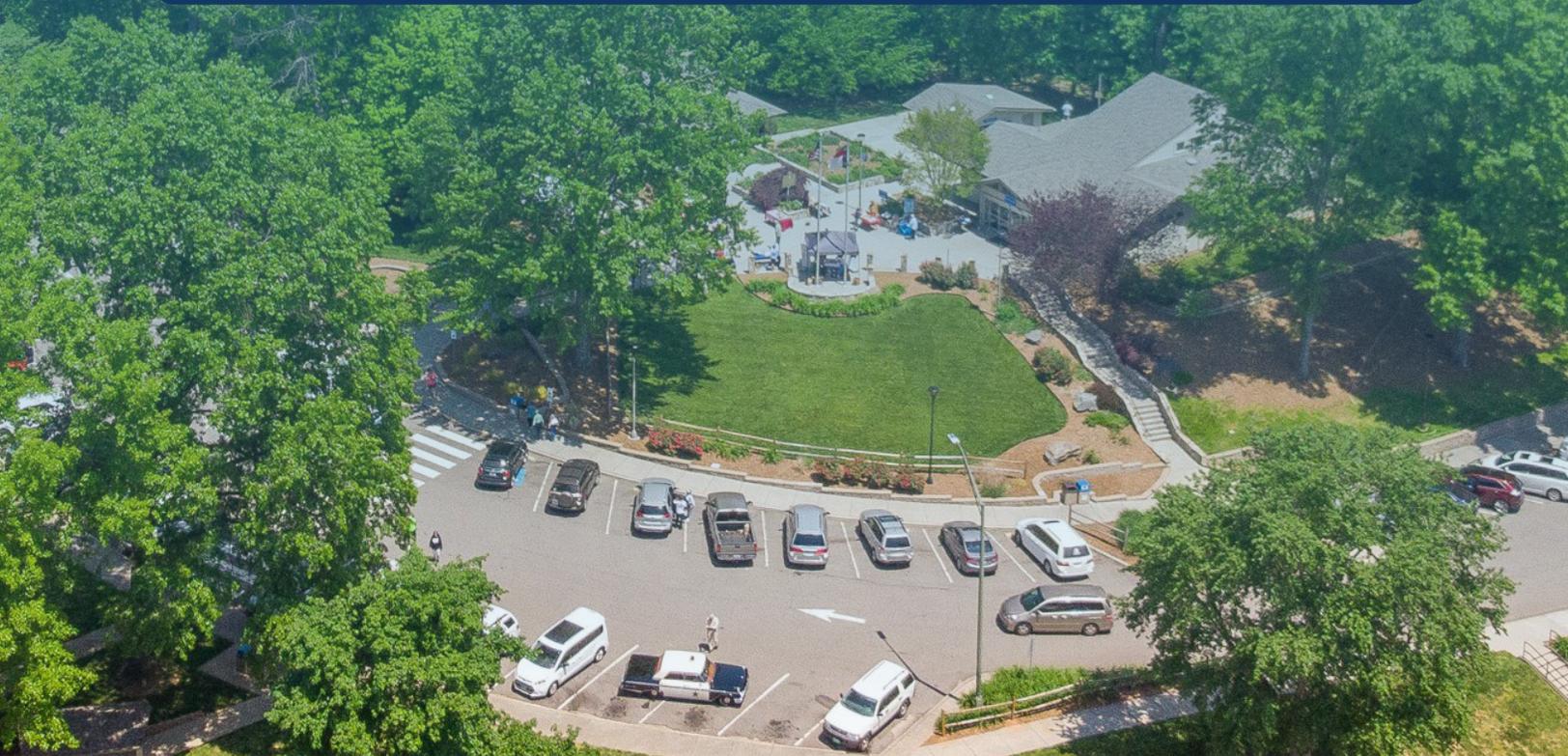


REST

Rest area Expansion for Safe Transportation

↗ Project Readiness



**FY 2026 Better Utilizing Investments
to Leverage Development (BUILD)**

GRANT APPLICATION
FEBRUARY 2026



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Project Readiness

Travelers of all types, whether families, tourists, or freight truck drivers will greatly benefit from the implementation of Rest area Expansion for Safe Transportation (REST or “the Project”) through improved safety outcomes, expanded parking, and enhanced access to amenities at the I-77 North Welcome Center (the Welcome Center). NCDOT recognizes the importance and urgency of this project and is committed to delivering the Project in a timely fashion and completing relevant Project milestones well in advance of the obligation and expenditure deadlines.

NCDOT will leverage its extensive experience administering USDOT discretionary grants to serve as the 2026 BUILD Discretionary Grant Applicant and Recipient. NCDOT will be responsible for administering the grant if selected for award, providing \$15 million in match funding (see **Project Budget**), and leading project delivery.

Proposed Schedule

Upon execution of the Project’s BUILD grant agreement, NCDOT will immediately initiate procurement of a design-build team to deliver the Project. NCDOT will start NEPA documentation within one year of grant agreement execution. NCDOT anticipates obligating funds by the end of calendar year 2028, well in advance of the September 30, 2030 deadline. Similarly, NCDOT will complete construction activities by September 30, 2030, five years before September 30, 2035 deadline to expend all funds. The proposed TPIMS Implementation Study will begin upon construction completion and operation of the proposed TPIMS and is anticipated to be complete by March 31, 2031. The following gannt chart summarizes the Project schedule by calendar year.

REST Project Schedule

Project Schedule																								
	2026		2027		2028				2029				2030				2031							
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4		
BUILD Grant Milestones	↗ Awards Announced				↗ Grant Agreement Executed												↗ Obligation Deadline							
Project Management + Grant Administration					↗ Kickoff Meeting				↗ Obligation of Funds															
Public Engagement																								
NEPA																								
Design					↗ Advertise EDB Project																			
Construction																					↗ Construction Closeout			
TPIMS Implementation Study																								

Planning and Constructability

REST is consistent with planning efforts for both the region and the state. [North Carolina's 2023 Freight Plan](#) and accompanying [Truck Parking Study](#) highlight the need to expand parking, with an emphasis on leveraging publicly owned facilities to implement cost effective improvements. The plan also highlights the need to implement innovative technologies like the Project's Truck Parking Information Management System (TPIMS) to support North Carolina's economic competitiveness. NCDOT owns and maintains the facility and will ensure the Project is added to the State Transportation Improvement Program (STIP) upon notification of award.

Minimal Right of Way (ROW) acquisition will be required as NCDOT controls all parcels and existing ROW upon which the Project will be constructed in North Carolina. NCDOT anticipates securing a utility easement from VDOT for approximately 2,000 feet of new fiber to connect the proposed mini-Dynamic Message Sign (DMS) to the Welcome Center (part of the TPIMS, see **Project Scope**) and potential temporary construction easements for construction of the new traffic camera system.

NCDOT will deliver REST as an Express Design Build (EDB) project. EDB is a streamlined, accelerated version of the Design-Build delivery method to deliver simple projects more quickly. NCDOT will leverage a two-step approach to shortlist qualified contractors and award the Project to the lowest bidder. It will not require unique construction techniques and construction phasing will be identified during the design-build process. Following construction, NCDOT will procure a professional engineering firm to complete the The TPIMS Implementation Study through its Mobility and Safety Limited Services Contract (LSC).

NEPA and Permitting

REST qualifies as a Categorical Exclusion (CE) pursuant the [2024 Programmatic Agreement for the Documentation and Processing Requirements for Federal-Aid Projects Classified as Categorical Exclusions](#). Improvements to rest areas, and deployment of TPIMS and traffic cameras, are both classified as a Type 1 Ground Disturbing Action according to 23 CFR 771.117(c) as

outlined in Appendix A (items 12 and 21) of the Agreement, with minimal environmental impacts expected. As the lead agency, NCDOT will fulfill NEPA requirements using the CE Checklist (Appendix E) to streamline project delivery. NCDOT plans to initiate scoping and submit a Start of Study letter through North Carolina's state clearinghouse in April 2028 and complete the CE documentation in December 2028.

NCDOT does not anticipate needing to re-evaluate NEPA approvals prior to construction. NEPA activities have been scheduled so that project scope, impacts, and applicable requirements will be known to avoid the need for a re-evaluation due to changes in the Project's scope or impacts. Similarly, the completion of the CE document in December 2028 is within one year of the anticipated start of construction in April 2029, thereby avoiding the need for additional consultation due to the passage of time.

Based on an initial screening of the Project's study area, environmental risks, and permitting requirements, the following approvals may be required:

- **Section 401/404 Clean Water Act:** NCDOT will coordinate with the United States Army Corps of Engineers and the NC Department of Environmental Quality (NCDEQ) for permitting requirements due to the proximity of Naked Run, however due to the distance between the stream and proposed improvements, a permit is likely not required. The USACE holds the final discretion as to what permit will be required to authorize construction.
- **Trout Buffer Variance:** NCDEQ classifies Naked Run as Trout Waters (Tr), which protects freshwaters that have conditions that sustain and allow for natural trout propagation and survival. If the Project's land-disturbing activity within the stream buffer exceeds [state thresholds](#), NCDOT will seek a variance from NCDEQ as part of its E&SC approval.
- **Construction Permits:** NCDOT will obtain erosion and sediment control approval and other construction permits from the NC Department of Administration State Construction Office prior to beginning construction.

NCDOT does not anticipate any other environmental approvals or permits, and there are no NC legislative approvals required to complete the Project.

Project Support

The public and agency involvement process for REST will meaningfully engage local residents, commercial drivers, and the diverse traveling public. The Project will combine in-person engagement, including open houses and the display of informational boards at the Welcome Center, with virtual engagement opportunities like virtual town halls and online surveys throughout the NEPA process (see **Partnership and Collaboration**). A project website will communicate information to stakeholders and the public throughout design and construction and provide contact information for interested parties to have their questions answered. These engagement opportunities will remove participation barriers for people with disabilities by providing materials in multiple

formats, ensuring Americans with Disability Act (ADA) compliant meeting spaces, and offering virtual options compatible with assistive technologies. REST enjoys the strong support of agency partners such as VDOT and the NC Department of Commerce (NCDOC), and has widespread support from stakeholders, as demonstrated by the attached letters of support (see **Supplemental Materials**).

Risks and Mitigation

NCDOT has identified the following potential risks and corresponding mitigation strategies to implement the Project on schedule and within budget. NCDOT will leverage its extensive experience delivering federally funded projects to reduce and mitigate risk.

Potential risks and mitigation strategies for REST

Category	Risk	Probability	Schedule Impact	Mitigation
 Project Costs	Labor + materials shortages and inflation may cause volatility in construction costs.	Moderate	Low	Feasibility study, completed in 2023 provides reasonable basis for construction costs EDB will lower costs compared to traditional delivery methods 15% contingency added to total project costs to mitigate uncertainty + risk
 Schedule	Coordination on the regional sanitary sewer project (see Partnership and Collaboration) Delays in contractor procurement and challenges with contractor quality.	Low	Moderate	NCDOT will work closely with regional partners to complete sanitary sewer upgrades simultaneously with REST EDB Process will reduce procurement delays and ensure qualified contractor is selected to deliver the project
 Construction Impacts	Welcome Center will be closed for 2.5 years during construction	High	Low	Communicate lane closures and construction schedules through DMS, radio, TV, websites, and other channels Continue to provide traveler and tourism information on websites operated by NCDOC and tourism industry representatives

Applicant Capacity

NCDOT has the capacity, knowledge, and experience to successfully deliver the Project in compliance with applicable Federal contracting and procurement requirements. NCDOT regularly administers USDOT grant-funded projects in accordance with 2 CFR Part 200, the Buy America Act, Americans with Disabilities Act, Uniform Relocation Assistance and Real Property Acquisition Act, Davis Bacon Act, and other Federal requirements.

The following tables demonstrate NCDOT's understanding of applicable Federal requirements, and summarize the various roles and responsibilities of NCDOT units, VDOT, and NC Department of Commerce on the Project.

Successful Project Delivery

NCDOT owns and maintains nine welcome centers and 59 rest areas across the state and routinely performs design, construction, and environmental compliance for these facilities. Since 2000, NCDOT has completed construction of two rest areas along I-77 north of Statesville, two rest areas along I-26 near Asheville, and a Welcome Center along I-26 in Madison County that included utilities, site grading, pavement construction, and energy efficient upgrades similar to what is proposed for REST.

Federal Requirements for REST

Federal Requirement	Applicability to Project
2 CFR Part 200	Governs administration of Federal grants. NCDOT will adhere to these requirements when administering grant funds and procuring professional engineering firms and construction contractors.
Americans with Disabilities Act	Requires accessible design to ensure usability for individuals with disabilities. NCDOT will ensure that the design of the new Welcome Center, including parking, restrooms, signage and site amenities like picnic areas and signage adhere to accessible design requirements.
Uniform Act (49 CFR Part 2)	Governs real property acquisition, rehabilitation, or demolition. NCDOT will adhere to these requirements to obtain temporary construction easements in VDOT ROW and outside of I-77 ROW between the Welcome Center and mile marker 96.
Buy America Act	Governs procurement of steel, iron, and manufactured products for construction. NCDOT will request a waiver if products are not available in sufficient quantity/quality or if domestic materials increase project cost by over 25%. NCDOT will require construction contractor(s) to provide certificates of compliance or Mill Test Results.
Davis Bacon Act	Ensures fair pay on public infrastructure projects NCDOT will require construction contractors to pay workers the prevailing wage and submit weekly certified payroll reports.

REST Roles and Responsibilities

Organization/Agency		Roles and Responsibilities
NCDOT	Strategic Initiatives and Program Support	Administer grant (financial and progress reporting) Primary point of contact with USDOT for grant agreement and obligation of funds
	Project Management Unit	Manage the Project, ensure all necessary approvals are obtained
	Highway Division 11	Provide technical assistance, guidance, and design reviews to EDB team Monitor traffic conditions and communicate weather and crash hazards via existing DMS, State Highway Patrol + VDOT
	Roadside Environmental Unit	Provide technical assistance, guidance, and design reviews to EDB team
	Transportation Systems Management and Operations (TSMO) Unit	Provide technical assistance, guidance, and design reviews for design and construction of TPIMS and Traffic Camera Lead TPIMS Implementation Study
North Carolina Department of Commerce		Operate the Welcome Center
Virginia Department of Transportation (VDOT)		Post real time weather information communicated by NCDOT on I-77 DMSs

**BUILD FY 2026
GRANT APPLICATION
February 2026**

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