



US 70 Corridor Commission

DIRECTOR'S REPORT FOR MONTHS OF APRIL & MAY, 2015 M. DURWOOD STEPHENSON, DIRECTOR

Rain and chill have slowed the emergence of spring as April evolved into May and hopefully more normalcy to our Southern warm winter patterns. It is often said by those so inclined by such dispositions in matters of science and weather that spring is the season that will betray you most.

Spring's April betrayal has transitioned to May's warming trends, but generally void of the poetic May flowers, but spring will fly by and summer will be here in a flash with heat tempered by exorbitant cooling bills.

The March report focused primarily on trends in the General Assembly favoring infrastructure and specifically transportation issues. The "gas tax" fix has been passed by House and Senate chambers and formally signed and officially adopted by Governor McCrory's signature. We will continue to monitor the large number of transportation bills including the following that were identified in last report:

HB 257	HB 448	HB 203
HB 217	HB 67/SB 110	SB 639

U.S Transportation Secretary Anthony Foxx announced on April 2 a \$ 500 million round of TIGER funding for 2015 discretionary grants to fund capital investments in surface transportation infrastructure.

The offices of Representative Butterfield and Representative Rouzer sent reminder notice of grant funding opportunities for transportation improvements. I notified our Directors requesting expressions of interest ASAP – pre-application notice is May 4, a really short time period for submittals. I am not aware of any plans to submit applications for projects along the corridor. Wilson is submitting a pre-application.

Jack Best suggested applying for funds to improve port of Morehead City. I advised Captain Lupton and Stephanie Ayers of the stated interest. In view of the narrow window of opportunity, perhaps we should plan ahead and prepare for TIGER Grant funding opportunities next year (2016). It is a worthy project and would enhance the efficiency of the Morehead City Port by reducing shoaling.

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Secretary Tata and staff began lobbying Congressional delegation for additional funding to address, what was noted as, unprecedented shoaling. Thanks to those efforts the Corps of Engineers has utilized approximately \$ 7.8 million on a new dredging contract which will improve conditions temporarily.

The Corps of Engineers cautions that more dredging will be necessary in order to fully restore the channel to its needed depth of 45 feet.

Utilizing Tiger Grants for port improvements to stabilize and maintain required depths is an ambitious plan and will require a tremendous effort. Construction of a jetty, groin and/or a sand-bypass system should minimize or slow shoaling.

Generally environmental interests oppose the construction of jetties or groins. However, there is a demonstration plan in effect to promote and assist these measures to improve ports and their operating efficiencies. It is my understanding the private plan has been oversubscribed, but there are public opportunities remaining.

It is an ambitious plan, but worthy of the effort. I do recall several years ago when we began discussions suggesting Interstate designation for U.S. 70, we were advised it was too ambitious and unlikely. But the legislation has been introduced in House and Senate with support with nearly all of our Congressional delegation supporting the effort.

The importance of Port improvements cannot be overemphasized. Most global commerce experts agree shipping is now driving global commerce as never before. The seas have become the superhighways of yesterday. With the expansion at Panama, it is anticipated 60 percent of the world's shipping will be via large container ships. It is unlikely our ports will be a major competitor for major container ship traffic. We can however, develop a niche port, but must make improvements to maximize operation efficiency.

We have been following the actions of N.C. General Assembly members since the commencement of the 2015 Session as they have made transportation issues and funding a priority.

But equally or maybe even more important is Congressional action. The Moving Ahead for Progress in the 21ST Century Act (MAP-21) is set to expire on May 31 of this year. It is the current Surface Transportation funding legislation that has been the source of Federal Transportation Dollars, but underfunded for several terms by continuing resolutions. The last Transportation funding bill was passed in 1997.

On May 19, The U.S. House voted to keep Federal transportation dollars flowing for an additional two months through the end of July, 2015.

The short-term measure gives time to negotiate a longer extension - or even better an equitably funded full transportation bill. Thinking selfishly, this extension allows a large number of projects to continue without interruption. Federal funding provides approximately 25% of NCDOT's total budget and 50% of NCDOT's construction program. If the bill funding is not extended, a minimum of 531 projects and about 13,800 jobs could be at stake.

Congress, not unlike, our North Carolina General Assembly has been exploring new sources of funding for infrastructure and transportation. Federal Transportation is also primarily funded by declining gas tax revenues; a tax that has remained stagnant since 1993.

Congressman Bill Shuster, Chairman of the House Transportation and Infrastructure Committee has spoken frequently of the crumbling of America's infrastructure and the need for more sustainable revenue sources.

Chairman Shuster recently scheduled a tour and discussion event to explore new funding options. N.C. Department of Transportation Secretary Tony Tata was one of only five (5) Transportation Secretaries invited to participate along with Secretaries from Pennsylvania, Oklahoma, South Carolina and Texas. Congressman David Rouzer, a member of House Subcommittee on Infrastructure and Transportation was also invited to the tour and discussion. I had an opportunity to discuss the upcoming tour with Congressman Rouzer encouraging him to promote a new Transportation Bill. If Congress is successful in passing a Transportation bill, it will then be necessary to lobby House Ways & Means committee to fund the legislation – so we will have lots of work ahead.

On April 16, North Carolina State Budget Director, Lee Roberts, unveiled the Governor's budget proposal for a \$ 2.4 billion bond package allocating approximately \$ 1.2 billion each for improvements to State office buildings and the balance of \$ 1.2 billion for transportation.

Leaders of House and Senate in North Carolina General Assembly have previously indicated a vote of the citizens will be required. Treasurer Janet Cowell has stated North Carolina has credit capacity for bond funding.

Craven County Commissioner Scott Dacey suggested a Resolution of Support for HR 1844 (Military Transportation Improvement Act of 2015). He also indicated Craven County would consider enacting a Support Resolution at May 18 meeting prior to U.S. 70 Corridor Commission agenda action on May 21. A Resolution has been drafted and forwarded to Commissioner Dacey. It was approved by Craven County Commissioners on May 19. A similar resolution was passed by U.S. 70 Corridor Commission on May 21. (Copy attached)

I have received inquiries about previously scheduled public hearings on Kinston "Shallow" Bypass. In view of the failure of this project to make first round cut for funding by STIP, NCDOT planning is forced to cease expenditures and further planning. The current plan is to cease work on the Kinston Bypass project once a rough draft of the Draft Environmental Impact Statement (DEIS) currently being prepared by the consultant has been completed. Therefore, no public hearings will be scheduled and the DEIS will not be formally approved.

There are a large number of projects facing a similar fate.

HR 1844, a bipartisan effort by our House and Senate members has been followed by a plan to enact legislation to designate the highway between Raleigh and Norfolk, Virginia as a future interstate. The bill introduced by Senator Tillis and co-sponsored by Senator Burr entitled "Road to Opportunity and Development Act" was also co-sponsored by Democratic Senators from Virginia, Tim Kaine and Mark Warner. Representative Butterfield has introduced a comparison bill in the U.S. House of Representatives. Representatives Rouzer and Jones have joined as co-sponsors.

The high priority corridor would follow the path of U.S. 64 from Raleigh through Rocky Mount to its intersection with U.S. 17 in Williamston and U.S. 17 North through Elizabeth City to Norfolk and will be designated I-44. The proposal enjoys strong support in Northeastern North Carolina which does not currently have an interstate highway.

The Havelock Bypass continues to be a major emphasis because of its importance to our military friends and the role it plays in our Master Freeway Plan. The project enjoys strong support throughout the entire U.S. corridor as evidenced by the twelve Resolutions of Support from Counties, Towns and Chambers. These Resolutions have been forwarded to Secretary Tata and our Eastern Congressional Delegation.

On May 6, Rob Hanson assembled a small group to discuss current status and challenges for Havelock Bypass. DOT Board Member, General Overholt; John Rouse, Division Engineer; Ted Devens, DOT Project Manager; Rob Hanson and I joined Clarence Coleman and Ron Lucas, FHWA for the briefing. The emphasis in their briefing was attaining legal sufficiency – a new term for me. Apparently it means assuring attorneys defending lawsuits of probable victory in Court.

Following our meeting NCDOT met with FHWA and U.S. Forestry Service. One of the major obstacles in moving this project forward has been questions and/or challenges raised by U.S. Forestry Service. The U.S.F.S. verbally agreed that the revised FEIS had adequately addressed their previous comments and concerns. Hopefully FHWA can/will now sign revised FEIS. However, there are still some unresolved mitigation issues, i.e.:

- Additional USFS compensation for longleaf pine habitat & management. Plus timber compensation.
- Defining a process to periodically close the bypass for USFS prescribed burning
- Landscape plans
- Memorandum of Agreement to transfer ownership of Croatan Wetland Mitigation Bank to USFS

Our gratitude and condolences to NCDOT staff for their persistence and diligence in pursuing final approvals for this much anticipated project.

The North Carolina Chamber convened more than 20 organizations that have formed Coalition for a Prosperous Future to discuss House Bill 927 to Re-establish NC as the “Good Roads State.” The ultimate purpose of this legislation is to develop a plan to plan and establish long-term transportation funding for North Carolina. The plan addresses gas tax, increasing highway use tax, DMV fees, auto and truck insurance, car rental fees (short term), and vehicle registration fees. H927 also phases out highway trust fund transfers over four years – an idea that has been discussed for many years.

In concert with our State Legislators, our U.S. Congressional representatives are actually seeking transportation revenue enhancement plans. Congressman Mark Meadows introduced the Prioritizing Reinvestment in Infrastructure and Military while Eliminating Debt Act (PRIMED Act). The basic premise of the legislation is to create a temporary specialty tax break for companies that

bring their foreign earnings to their U.S. based operations. The revenue generated would be dedicated solely to replenishing the Highway Trust Fund, strengthening the military and reducing the national debt. Revenue projections from this source have not been provided, but based on planned uses, apparently anticipated revenue is significant.

In introducing the legislation Congressman Meadows said, "Providing for our nation's military and infrastructure should not be handled by continually passing short-term sustainability of our transportation system and national defense is too important to be constantly left in limbo every 6 or so months." Well said.

Our quest to promote Freeway and/or Interstate status along the U.S. 70 Eastern Corridor will maximize the economic impact of area assets: Military, Agriculture, GTP, Rail, Ports and Tourism will provide economic benefit to all sectors.

Despite a lack of adequate infrastructure these major assets continue to impact Eastern economy. A recent report by N.C. Department of Commerce indicates tourism spending in the State reached a record \$ 21.3 billion in 2014, a five (5%) percent increase over the previous year supporting more than 200,000 jobs for the first time ever. The report did not specify generated revenue nor job locations by region, but a reasonable assumption is that a significant portion of the revenue and jobs is generated by our beautiful beaches - an asset that can only grow with easier, more efficient travel access.

As noted earlier in this report HR 1844 designates 795/117 for Interstate status with U.S. 70 Corridor. 795/117 Project Consultant Mark Reep, ICA Engineering has provided several alternates for consideration. The alternates were presented to Wayne County Board of Commissioners on September 16, 2014. The Commissioners discussed the impacts of each of the alternatives to existing business, FEMA buyout properties, major river/stream crossings, wetlands, parks and recreation areas. It was the unanimous decision of the Wayne County Commissioners to recommend consideration of Alternative 1 (Upgrades to the existing U.S. Highway 117) and Alternative 4 (Upgrades to the existing 117 and a new location east of U.S. Highway 117) with consideration of an additional alternative connecting Ash Street in Goldsboro west of the existing highway crossing Waynesborough Park and connecting to Alternative 4 near Arrington Bridge Road.

The local ECRPO and TCC/TAC is continuing the discussions on proposed alternatives and is seeking comments on the various proposals.

The NCEast Alliance under the direction of John Chaffee announced the re-launch of a project to help small to medium sized manufacturers connect with automotive and aerospace supply vendors. As noted in press release the goal of the Rural Jobs Accelerator (RJA) is to help manufacturers create and retain jobs in our region. The NCEast Alliance staff is available to offer assistance to firms interested in pursuing opportunities in this field. The RJA project is focused on increasing awareness of STEM-based employment and career opportunities and represents a \$ 1.1 million investment in our region and is made possible by Duke Energy, the U.S. Economic Development Administration and USDA. The NCEast Alliance is partnering with the NC Rural Economic Development Center to administer the program.

They are the type of well-paying jobs that we need and should pursue fervently. Be sure your local chambers and business advocacy enterprises are aware of the RJA Project and the employment training and business opportunities provided by the NCEast Alliance.

The harsh early spring of May once again experienced the wrath of Mother Nature along Highway 12 in Kitty Hawk. Scarce dollars must address the emergency at a time when major expenditures outside the budget are not easily reallocated. It is argued that official N.C. DOT policy is to deal with the after effects of the ocean rather than develop a policy that counters nature's imposition.

Corridor Commission advocate and agenda friend, Don Black has just recently completed an interesting study. The data indicates that shipping costs are significantly impacted by routes that do not have Interstate access; an unexpected consequence on rural business in Eastern North Carolina. This analysis may be worthy of further study.

Patrick Flanagan reminded us of the new SPOT 4.0 process scheduled to begin soon. It is important for the Eastern Region RPO's/MPO's to continue to communicate regularly and remain unified. The scoring methodology, priority projects and review of current projects must be agenda priorities and discussed across RPO/MPO boundaries. The importance of an active RPO/MPO Coalition is obvious.

Discussions continue promoting restoring track between Wallace and Castle Hayne. A recent study validates the significance of restoring track both to local economy and to area military interests. Although DOD has identified the restoration of the track as a high priority, no funds have been allocated to the track restoration. Major rail carriers (CSX) cite the lack of rail business and indicate the expenditures are not justified nor is the project economically feasible.

Hopefully the right of way will be preserved and future rail a possibility as ports and the local economy grow.

On May 21, the U.S. 70 Corridor Commission held its quarterly meeting at Woodman of World Center in Kinston. Marcia's minutes will be available soon so I will not attempt to address all of the issues discussed because I cannot tell the story as completely and accurately as Marcia, but will highlight a few items of interest.

Austen Shearer of Senator Tillis staff and Dwight Williams, Field Director for Congressman Rouzer joined us and provided comments from the House & Senate, particularly status and support for HR 1844. NCDOT Chief of Staff, Bobby Lewis gave us update on happenings at headquarters. Kevin Lacey gave us insights on Interstate Designation Process. Jamie Shern reported on status and special efforts to escalate Part C Harvey Parkway. Division 4 BOT Member, Gus Tulloss reported on recent Board activities. Division Engineers John Rouse and Tim Little gave updates on Corridor agenda projects in their respective divisions. We also passed a Resolution of Support for HR 1844 (Copy Attached).

I encourage you to carefully review the minutes for the meeting which is forthcoming. We will continue to monitor the abundance of transportation legislation in North Carolina General Assembly.

It is amazing to see how our world has changed so dramatically in the last decade; smart phones, GPS, texting, electric cars, self-driving vehicles and countless other inventions. The phenomenon of social media that can catapult a mundane event into a national debate regularly redirects every daily conversation.

Yet despite the escalating growth and obsession with travel by car, the delivery of the transportation system is virtually unchanged during this decade with no answers in-sight to address the decline of transportation revenues.

The safe movement of goods and people continues to be the driver of commerce. Your efforts in advocating for improved transportation and infrastructure is significant.

Thank you for continuing the fight.

114TH CONGRESS
1ST SESSION

H. R. 1844

To amend the Intermodal Surface Transportation Efficiency Act of 1991 to designate high priority corridors on the National Highway System in the State of North Carolina, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

APRIL 16, 2015

Mr. BUTTERFIELD (for himself, Mr. JONES, Mr. MEADOWS, Mr. HOLDING, Mr. ROUZER, Ms. ADAMS, and Mr. PRICE of North Carolina) introduced the following bill; which was referred to the Committee on Transportation and Infrastructure

A BILL

To amend the Intermodal Surface Transportation Efficiency Act of 1991 to designate high priority corridors on the National Highway System in the State of North Carolina, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Military Corridor
5 Transportation Improvement Act of 2015”.

1 **SEC. 2. HIGH PRIORITY CORRIDORS ON NATIONAL HIGH-**
2 **WAY SYSTEM.**

3 (a) **IN GENERAL.**—Section 1105(e) of the Intermodal
4 Surface Transportation Efficiency Act of 1991 (105 Stat.
5 2032) is amended by adding at the end the following:

6 “(81) United States Route 117/Interstate
7 Route 795 from United States Route 70 in Golds-
8 boro, Wayne County, North Carolina, to Interstate
9 Route 40 west of Faison, Sampson County, North
10 Carolina.

11 “(82) United States Route 70 from its intersec-
12 tion with Interstate Route 40 in Garner, Wake
13 County, North Carolina, to the Port at Morehead
14 City, Carteret County, North Carolina.”.

15 (b) **INCLUSION OF CERTAIN ROUTE SEGMENTS ON**
16 **INTERSTATE SYSTEM.**—Section 1105(e)(5)(A) of the
17 Intermodal Surface Transportation Efficiency Act of 1991
18 (105 Stat. 2031; 109 Stat. 597; 115 Stat. 872; 118 Stat.
19 293; 126 Stat. 426) is amended in the first sentence by
20 striking “and subsection (c)(57)” and inserting “sub-
21 section (c)(57), subsection (c)(81), and subsection
22 (c)(82)”.

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US 70 Corridor Commission

RESOLUTION OF SUPPORT for the Military Corridor Transportation Improvement Act of 2015 and calling upon the North Carolina Department of Transportation to allocate priority funding to US 70 improvements in advance of this designation.

WHEREAS a bipartisan coalition of North Carolina's federal delegation have introduced the Military Corridor Transportation Improvement Act of 2015, and

WHEREAS this act would designate US 70 from Raleigh to Morehead City as an Interstate, and

WHEREAS we support the US Military and recognize that our national security could be impacted if Cherry Point Marine Corps Air Station does not have consistent and efficient access for military personnel, and

WHEREAS access to the Port in Morehead, the state's second largest port, is critical to our state's wellbeing and port operations support North Carolina's citizens and businesses, and

WHEREAS effective and efficient access to and from our coast could have a positive economic impact on those communities, and

WHEREAS population growth within North Carolina will continue to increase the number of citizens utilizing US 70, thus adding to delays and increasing safety issues, and

WHEREAS interstate designation will expand economic development opportunities for the region, and

WHEREAS interstate will offer support for North Carolina's military community by providing consistent and safe roadway access, and

BE IT RESOLVED that the Directors of U.S. 70 Corridor Commission support the Military Corridor Transportation Improvement Act of 2015 and call for its swift passage.

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