



# US 70 Corridor Commission

## DIRECTOR'S REPORT FOR MONTH OF OCTOBER, 2012 M. DURWOOD STEPHENSON, DIRECTOR

During the month of October, considerable effort was expended on expanding our agenda and redefining our evolving agenda. The one voice, one vision for a U.S. 70 Freeway Corridor continues to be our dominant motivation, but acknowledgement of the necessity of competing globally mandates a world view while maintaining and protecting major economic assets.

The month's activities are best defined and summarized as follows:

- Protect military operations. A fierce struggle is underway to minimize the impacts of proposed wind farm development within flight patterns and training routes of our military. As North Carolinians, we take great pride in our long-standing commitment and reputation as America's most military friendly State. That commitment is not without reward. In 2005 the Department of Defense conducted Base Realignment and Closure operations in an effort to improve efficiency. North Carolina was a big winner in that process with additional personnel, facilities and investments of billions of dollars by the military. Approximately 25% of the US military personnel are now housed in North Carolina. We want to keep that population here. Large deficits portend the likelihood of significant budget cuts that will impact all departments of government including the military. Sequestration as early as January could negatively impact our local economy in Eastern North Carolina. The military's \$ 24 billion dollar impact in North Carolina is second only to agriculture and a reduction in spending could devastate a region that can ill afford a shrinking of our economy.

Therefore, the task of protecting our military is more important now than at any time in our history. Our legislators are now aware of the potential for negative impacts and have joined our efforts to combat the threat. We must continue to be diligent and persistent in repelling actions that create setbacks for our military.

- Expand base and enlarge agenda. During the past several months the Corridor Commission has commenced a strategic plan to expand our five (5) county group to a forty-one (41) county coalition representing more than 2.6 million people. The coalition has been formally organized with leadership duly elected. The group meets regularly to discuss and address the needs and issues of the region.

With the determined and persistent efforts by so many of you, we have mastered the first hurdle: Establishing a co-operative partnership of Eastern North Carolina leadership. Our next big challenge is to maintain the co-operative spirit we have watched develop and grow since March, 2012. In order to achieve that objective it is incumbent upon us to encourage and practice patience. We are not unique in the failures of the past.

Coalescing the East as a whole by packaging our major assets promotes a diverse economy with opportunities for a workforce with a wide range of skills, education and interests. Our agricultural industry has the capacity to feed the region, the State, the Nation and the World. The only barrier to becoming the World's bread basket is our failure to adopt new century technology and modern transportation modes that maximizes farm to market to consumer's efficiency. Today's greatest challenges are simply long-standing failures and adversaries that can be overcome by persistent, unified determination to conquer.

Infrastructure is the spine of the State and our local communities. Eastern North Carolina is blessed with many valuable assets, but have been unable to realize maximum potential because of our failure to provide adequate infrastructure for the region. The most significant infrastructure failure is transportation connecting our communities and assets. The lack of a freeway in the region has long been identified as a major problem and deterrent to economic prosperity. In order to transform U.S. 70 into a freeway connecting I-40 and I-95 to the local communities and our assets, communities must work together with a common agenda adopting plans, policies and minimum design standards to facilitate developing a freeway corridor.

- Preparing for global marketplace. Approximately 95% of today's consumers live outside the United States. Successful commerce in the new global economy depends on efficient access to consumers and suppliers to take advantage of marketing opportunities around the globe.

In a recent article written by Lew Ebert, President and CEO of the North Carolina Chamber cites the critical role of transportation in the economic development. Quote **"The North Carolina business community widely recognizes the inextricable link between transportation and business. The North Carolina Chamber believes that transportation is business."**

In addition to assessing consumers across the globe, there are other changing factors that mandate improving all modes of transportation in order to compete globally. The dramatic rise of component sourcing and just in-time delivery coupled with the free moment of modern technology and ideas are factors critical to success in the global marketplace. We have all witnessed the rapidity of changing consumer tastes and product demands. Marketing experts tell us those changes will continue to escalate more quickly tomorrow than today or at anytime in prior decades.

North Carolina is positioned to take advantage of global expansion. We are located at the center of the east coast, have a favorable business climate, a population with a great work ethic, good natural resources – the weather for producing products needed by the world and ports that can accommodate exports.

The first step in becoming a strong competitor in the emerging global economy is recognizing all commerce is now international. Local communities must be a part of the global agenda realizing that improving transportation through a single community does not get goods to consumers or products to market. The coalescing of the East is proof our leaders have adopted the worldview.

A freeway servicing the main street of commerce in Eastern North remains the centerpiece of our agenda, but the improvement and expansion of all modes of transportation: roads, ports and rail, is critical to improving the economy of Eastern North Carolina. We must aggressively pursue global expansion finding opportunity in the emerging patterns of global trade.

On October 2, Amtrak had the inaugural run of the long-awaited passenger rail service for Eastern North Carolina. Several commission members and elected officials joined Amtrak leader, Dennis Lyons for this historic ride. We are grateful to Amtrak for continuing to invest in Eastern North Carolina providing more access and destination options to the area citizens.

NCDOT announced plans to study economic impact of I-95 Toll proposal and explore alternative options for funding the \$ 4.4 billion improvement.

Eastern North Carolina Coalition Chairman Jack Best and Executive Director Daniel VanLiere scheduled a meeting in Goldsboro on October 10 to discuss issues of concern and interest including the Ferry System, Equity Formula and additional transportation funding options. The coalition remains focused on priority projects:

- Greenville Southwest Bypass
- Hampstead Bypass
- Kinston Bypass
- Maysville Bypass
- NC 11/241/24 Connector
- NC 24 Upgrade
- Slocum Gate

On October 16, General Trogdon hosted a meeting in his office to discuss escalating schedule of Part C, Harvey Parkway. Also attending were Bobby Lewis, Neil Lassiter, Jamie Shern, BOT Member Leigh McNairy, Lenoir County Transportation Chairman and County Commissioners, Mac Daughety and me. General Trogdon discussed planned schedule of area projects and indicated escalating Part C, Harvey Parkway may be possible from a funding perspective. Funding for future projects has been improved created by economic times which enhanced project funding by approximately 20% with lower project costs.

The U.S. 70 Corridor Commission met in Morehead City on October 18. The meeting was well attended and dialogue was informative and current. A highlight of the meeting was a detailed analysis and status report by Jamie Shern on Gallant's Channel Bridge permitting. Marcia has posted a detailed record of discussions and minutes on our website. I encourage you to visit the website and review the minutes. The new website address is Super 70.com.

The U.S. 70 Corridor Economic Impact Study moved forward as proposers met with selection committee for presentations and discussions. The meeting in Goldsboro on October 23 was an all day event with good presenters and significant input from selection committee. Following the presentations, the selection committee, after much internal discussion, voted to select best fit for this assignment. However, the final decision cannot be announced until NCDOT and FHWA has drafted, approved and executed Agreement with Corridor Commission and Wayne County. We are hopeful this can be concluded soon and the study can begin and will be completed within six (6) months.

Real life experiences best confirm and solidify our arguments for transportation improvements. On October 26, I met with management of Caterpillar. They expressed considerable interest in rail, ports and plans for improving U.S. 70. Currently they are utilizing Wilmington Port because travel time from Clayton manufacturing facility to Morehead City is much longer because of traffic congestion and traffic signals. However they expressed concern because Wilmington Port does not have deep water to accommodate larger ships. As a result

they are forced to ship components in smaller packages which reduces efficiency. Their expressions of concern validate one of our arguments for improving U.S. 70.

The next meeting of the U.S. 70 Corridor Commission will be January 17 at 2:00 PM in Craven County. The specific location will be determined later and posted on website.