

NORTH CAROLINA

WAYNE COUNTY

The Highway 70 Corridor Commission met on Thursday, October 18, 2012 at 2:00 p.m. at the Morehead City Train Depot, 1001 Arendell Street, Morehead City, North Carolina.

County members present:

Carteret County – Robin V. Comer, Joan Pulley and Tom Steepy
Craven County – Tom Mark and Danny Walsh
Johnston County – Fleta A. Byrd and Frank Price
Jones County – None
Lenoir County – Mark Pope
Wayne County – Jack Best

Other persons present:

North Carolina House of Representatives – Pat McElraft
North Carolina Board of Transportation – Leigh McNairy (At Large), Hugh Overholt (Division 2) and Gus Tulloss (Division 4)
North Carolina Department of Transportation – Dwayne Alligood, David Morton, Neil Lassiter, John Rouse and Jamie Shern
North Carolina Department of Transportation Statewide Logistics – Tom Bradshaw
Highway 70 Corridor Commission Director – M. Durwood Stephenson
Havelock – Robin Bloss
Morehead City – David Whitlow
North Carolina Global TransPark Authority – Charlie Diehl
North Carolina Ports – Stephanie Ayers
Craven County – Don Baumgardner
Down East RPO – Rob Will
Upper Coastal Plain RPO – Daniel Van Liere
Wilson's Mills – Richard Hicks
Wayne County – Clerk to the Board Marcia R. Wilson
Citizens – Don Black and Ophelia Davis
Carteret News-Times – Mark Hibbs

Call to Order

Highway 70 Corridor Commission Director M. Durwood Stephenson called the meeting to order.

Welcome

Carteret County Commissioner Robin V. Comer welcomed everyone to the meeting.

Highway 70 Corridor Commission Vice-Chairman Tom Steepy welcomed Morehead City Manager David Whitlow to the meeting. He thanked Morehead City Manager David

Whitlow and his staff for the refreshments. Mark Hibbs with the *Carteret News-Times* was invited to attend the meeting.

Remarks

North Carolina Board of Transportation Division 2 Member Hugh Overholt stated he supported the effort of the Highway 70 Corridor Commission and thanked Executive Director M. Durwood Stephenson for his work. Recently, he spent time with North Carolina Department of Transportation Statewide Logistics Director Tom Bradshaw and the Global TransPark staff integrating roads and air space. The Intergovernmental Committee has addressed the windmill issue. Windmills, which have the opportunity to create electricity, also have the opportunity to shut down the air space needed by Seymour Johnson Air Force Base for low level training routes. The Governor issued an Executive Order, but a coordinated legislation plan is needed to protect our military bases early-on during the next session of the General Assembly. He stated all of above issues work together to protect and enhance the economy of eastern North Carolina. Everyone will not support the effort to oppose the wind mills. The Havelock Bypass is progressing. The biggest impact to Carteret County is replacing the Gallants Channel Bridge, which needs a permit from the United States Coast Guard. The Gallants Channel Bridge has been funded. We must be prepared to show unified support for the Gallants Channel Bridge project.

Highway 70 Corridor Commission Director M. Durwood Stephenson stated the wind energy farms will affect Seymour Johnson Air Force Base and Cherry Point. Very few legislators realize the impact of the wind energy farms on our military bases. The wind energy farms are not required to have a state permit for construction. The Secretary of Defense wrote a memorandum opposing the wind energy farms, but the memorandum has not stopped the construction process. Three states have adopted legislation requiring a state permit for the construction of wind energy farms. He is working on draft legislation requiring a state permit for wind energy farms to be considered during the next legislative session.

North Carolina Board of Transportation Division 2 Member Hugh Overholt stated we assume everyone realizes the importance of the military bases to North Carolina. We must have a coordinated educational effort to inform all legislators, especially the ones west of Interstate 95, about the detrimental effect of wind energy farms on our military. This administration is very much in favor of green energy. We must also consider the effect of the wind energy turbines on the jets flying into the United States Coast Guard base in Elizabeth City.

Town of Havelock Commissioner Danny Walsh stated Carteret and Craven counties have utilized the North Carolina Coastal Land Trust to purchase property to save air space. He suggested contacting the North Carolina Coastal Land Trust to see if the air rights over the proposed wind energy farms property could be purchased; thereby, allowing the farmer to retain his property.

Highway 70 Corridor Commission Vice-Chairman Tom Steepy welcomed Representative Pat McElraft to the meeting.

Representative Pat McElraft stated she was concerned about eastern North Carolina when the North Carolina General Assembly addresses changes in the equity formula. The rural areas must come together before the equity formula is changed. The Gallants Channel Bridge needs to be permitted before the equity formula is changed. She commended a Carteret County citizen, John Droz, for bringing attention to wind energy farms being able to be permitted without more public input. She supported protecting the military air space in eastern North Carolina.

North Carolina Board of Transportation At Large Member Leigh McNairy stated it is wonderful to see all of the interest in eastern North Carolina. The more we come together, the better it will be and no one will be able to stop the forward progress of eastern North Carolina. It is an exciting time for this committee.

Carteret County Member Joan Pulley stated the Carteret County Chamber of Commerce, as well as other area Chambers of Commerce, have adopted a resolution opposing the effect of the proposed wind energy farms on our military bases. She stated the opposition to the Gallants Channel Bridge knows the longer they can hold up the bridge replacement construction, the better their chances are.

Approval of Agenda

Upon motion of Craven County Commissioner Tom Mark and seconded by Carteret County Commissioner Robin V. Comer, the members of the Highway 70 Corridor Commission unanimously approved the agenda as presented.

Approval of Minutes

Upon motion Town of Havelock Commissioner Danny Walsh and seconded by Johnston County Member Frank Price, the members of the Highway 70 Corridor Commission unanimously approved the minutes of the Highway 70 Corridor Commission meeting on August 23, 2012.

Financial Report

Wayne County Clerk to the Board Marcia R. Wilson reported as of October 18, 2012 there was a total cash balance of \$201,685.36.

Board of Transportation Remarks

North Carolina Board of Transportation Division 4 Member Gus Tulloss stated Division 4 has lots of construction projects. Cambridge Systematics, Inc. will conduct an economic impact study on the effect of tolls on Interstate 95 and the results will be reported to an advisory committee.

Johnston County Member Frank Price stated Johnston County is very interested in the economic impact study.

Remarks

North Carolina Department of Transportation Statewide Logistics Director Tom Bradshaw stated the Carteret County Board of Commissioners and Morehead City Council will hold a joint meeting on October 30, 2012 to learn about a proposed project to develop a wood pellet export facility at the Morehead City port. Currently, the Morehead City port is only shipping and receiving wood products. The wood pellets would be made from forest products in eastern North Carolina and shipped to the Morehead City port via rail. The wood pellets would be stored in a built-to-suit building. He has asked the North Carolina Railroad for money. The ports receive no financial assistance from the state since they operate as an enterprise fund. The North Carolina Railroad has \$75 million in the bank. Borrowing money from the North Carolina Railroad would enable the ports to borrow money at a better rate and improve its credit rating, which is currently BBB-. A liquidity fund would enable the ports to borrow money at a more attractive rate, build a facility and make money for the port. The money from the North Carolina Railroad will be used as a credit provider. The money from the wood pellets will be used for the debt service of the facility. The ports would own the facility and be able to reuse the facility to make money.

Highway 70 Corridor Commission Director Durwood Stephenson stated he was unaware the money from the North Carolina Railroad would be used as liquidity for credit.

North Carolina Board of Transportation Division 2 Member Hugh Overholt stated the legislative study of the North Carolina Railroad was released yesterday and is very interesting. Anyone interested in transportation should read the study.

North Carolina Department of Transportation Statewide Logistics Director Tom Bradshaw stated the North Carolina Railroad legislative study recommends the North Carolina Railroad give the North Carolina general fund \$15.5 million in June 2013. Beginning in 2014, the North Carolina Railroad would give the North Carolina general fund 25% of its annual income, which is estimated at approximately \$3.7 million.

Town of Havelock Commissioner Danny Walsh stated the public and elected officials need to be made aware why the ports need the money from the North Carolina Railroad.

Carteret County Commissioner Robin V. Comer said the Carteret County Board of Commissioners and Morehead City Council will hold a joint meeting on October 30, 2012 at the Civic Center to have clarity on the request from the ports to borrow money from the North Carolina Railroad.

Website Update

Wayne County Clerk to the Board Marcia R. Wilson updated the members on the Highway 70 Corridor Commission website. She requested information be submitted to be included on the website. The US Highway 70 Corridor Commission website is www.super70corridor.com.

Feasibility Studies

North Carolina Department of Transportation Division 2 Engineer Neil Lassiter updated the members on the following feasibility studies:

NC 11/241/24

- Preliminary conceptual designs/cost estimate request – final stages
- Preliminary findings report with cost estimates – late 2012

James City New Location

- Initial conceptual designs are being accelerated significantly
- Preliminary findings report with cost estimates – late 2012

Harvey Parkway Part C

- Conceptual designs are being finalized
- Preliminary finds report with cost estimates – late 2012
- Trying to get included in 5-year plan

Gallants Channel Bridge

North Carolina Department of Transportation Environmental Program Manager Jamie Shern stated the United States Coast Guard must issue a permit for a replacement Gallants Channel Bridge. A permit is issued based on consideration of the public interest factors of what is in the best interest of the citizenry. The degree of comfort depends on the degree of controversy and the profile of the project. Over time since the late 1990s, the United States Coast Guard has received increased scrutiny on the project from environmental groups. The United States Coast Guard has a list of standards for the project. The bridge permit application guide is very detailed and suggests data to be collected on the project. He stated the rules have always been in place, but the degree of comfort by the United States Coast Guard has increased. The challenge for the Gallants Channel Bridge replacement is getting the United States Coast Guard to its comfort level. Until the United States Coast Guard reaches its comfort level, it can always say one more thing is needed to provide for the reasonable needs of navigation.

The bridge permit application guide was reissued in October 2011, which is the current guide for the Gallants Channel Bridge replacement. One of the hurdles is the navigation study, which discusses the effect of the bridge on impeding the navigation of any vessel. Data was collected for one month, including the height of the mast. This data will be compared to the bridge tender data for the past ten years. The data will be adjusted to the worst case scenario. On October 5, 2012 a white paper from the United States Coast Guard was received explaining what is required to determine the reasonable needs of navigation. The North Carolina Department of Transportation will happily do what needs to be done, but needs to know what the United States Coast Guard expects. He cited the court cases referenced by the United States Coast Guard in their white paper. In essence, the United States Coast Guard is saying it will not issue a permit if it is not comfortable with the evidence. Environmental groups have requested all records on the Gallants Channel Bridge replacement project. It will be impossible to fully comply with the laundry list of navigational needs supplied by the United States Coast Guard.

The United States Coast Guard expects the North Carolina Department of Transportation to comply with the critical navigational needs to make it comfortable in its decision. The documents from the United States Coast Guard are very intricate and require a lot of information. He noted the October 5, 2012 date of the letter as being important.

North Carolina Department of Transportation Environmental Program Manager Jamie Shern stated trees are farmed as an agricultural crop. Wood pellets come from a tree. Trees are a sustainable and renewable crop in eastern North Carolina. Wood pellets are the most sustainable green energy available.

North Carolina Board of Transportation At Large Member Leigh McNairy stated the second opinion from the United States Coast Guard is a subjective opinion to an individual project. She questioned why this was not better.

North Carolina Department of Transportation Environmental Program Manager Jamie Shern stated all other sentences in the guidance referenced a case in the United States Supreme Court. The legal aspect has assumed a larger and larger time requirement in order to satisfy the application process. He questioned if the requests for information had been taken too far.

North Carolina Board of Transportation Division 2 Member Hugh Overholt stated we need to call for the question because we cannot continue to study the Gallants Channel Bridge replacement. The United States Coast Guard Admiral needs to say “yes” or “no.”

North Carolina Department of Transportation Environmental Program Manager Jamie Shern stated local support is important to the project.

North Carolina Department of Transportation Environmental Program Manager Jamie Shern stated the construction and/or repair of tall mast ships represents a considerable amount of revenue to Jarrett’s Bay. The United States Coast Guard has questioned the following: *Does the new bridge establish a new navigational limited factor to any ships? Does the new bridge obstruct the passage of any waterway users? Does the new bridge replacement impact present or prospective commercial activity? What are the economic impacts on the businesses? Are these businesses unique or only one of a few in this area? Can vessels be partially disassembled or dismantled in order to transit the bridge without a significant economic loss? Are alternate routes available for vessel passage?*

Highway 70 Corridor Commission Director M. Durwood Stephenson stated he believed the United States Coast Guard anticipated a law suit and was trying to win it before it was filed.

North Carolina Board of Transportation Division 2 Member Hugh Overholt stated an environmental study on the Gallants Channel Bridge replacement has been completed. There is a record of decision on the project. One of the problems is military leadership has changed. There is \$70 million available to replace the Gallants Channel Bridge.

In response to a question from Carteret County Member Joan Pulley, North Carolina Board of Transportation Division 2 Member Hugh Overholt stated he did not think a change in political parties would impact the Gallants Channel Bridge or US Highway 70 projects. We must be cognizant of changes to the equity formula on funding projects in eastern North Carolina. The Gallants Channel Bridge replacement and US Highway 17 are funded.

North Carolina Board of Transportation At Large Member Leigh McNairy stated every project is reassessed or repositioned every two years. Unused monies go to the general fund or to another highway division. We need to get as much accomplished as possible by January 1, 2013. Projects are vulnerable if they have not been moved from preliminary planning to execution.

Johnston County Member Frank Price stated the emphasis is on the permitting agencies recently. The legal ramifications may be attributed to the U.S. Circuit Court of Appeals for the Fourth Circuit ruling on the Monroe Bypass that the State of North Carolina did not conduct the proper environmental impact studies. It appears the Southern Environmental Law Center is threatening any project to delay the project.

North Carolina Department of Transportation Environmental Program Manager Jamie Shern stated the North Carolina Department of Transportation is committed to the Gallants Channel Bridge replacement.

Highway 70 Corridor Commission Director M. Durwood Stephenson stated we cannot assure the United States Coast Guard will not be sued over the Gallants Channel Bridge replacement or if the lawsuit will be won.

North Carolina Ports Update

North Carolina Ports Director of Port Planning and Development Stephanie Ayers stated a cruise ship is calling on the port at Morehead City today and Wilmington tomorrow. The Seafood Festival was a huge success. Approximately 150 visitors took a guided tour of the Morehead City port during the Seafood Festival.

The move to relocate the gate at the Morehead City port has progressed through the environmental hurdles with FEMA. The design is being finalized. Construction is scheduled to begin in early spring 2013 with completion next summer. The project will move the gate further into the port to provide more queuing for trucks to keep them off US Highway 70. The other benefit will move the Maritime Building outside of the port, which will avail the building to the public.

RPO/MPO Activities and Coalition

Highway 70 Corridor Commission Director M. Durwood Stephenson stated the Highway 70 Corridor Commission started approximately 2½ years ago with five counties. Through the efforts of the members, the Eastern North Carolina Coalition has grown to 41 counties with 2.6 million people.

Eastern North Carolina Coalition Director Daniel Van Liere stated the Coalition represents areas in eastern North Carolina. The Coalition met on October 10, 2012 and discussed ferries (a subgroup was formed to discuss options) and adding to the original regional prioritized projects to encompass the entire area. The members were asked to consider projects along NC Highway 74, NC Highway 158, US Highway 17 and Interstate 95. Plotting the projects on a map shows the interconnectivity of the region, how the population can be moved and the means for economic development in eastern North Carolina. A subgroup of the Coalition is exploring funding options through the 2040 Plan and 21st Century Plan and will make a funding recommendation. The next meeting is scheduled for January 4, 2013 at 10:00 a.m. in Goldsboro with the legislators.

Wayne County Commissioner Jack Best stated the Eastern Carolina Coalition will not take the place of the Highway 70 Corridor Commission. Originally seven RPOs and MPOs met and submitted their transportation priority projects. It was significant all seven MPOs and RPOs agreed on the transportation projects. The priorities interconnect the Global TransPark, military bases, ports and the medical center in Greenville. The projects have been sent to North Carolina Department of Transportation Chief Operating Officer Jim Trogdon for consideration. The projects have moved forward with a feasibility study on NC Highway 11/NC Highway 241/NC Highway 24 and the Kinston Bypass. Other projects have moved up in priority. Currently, 14 RPOs and MPOs want to speak to the legislators as one unified voice. Many of our legislators support the one voice for eastern North Carolina concept. He thanked Daniel Van Liere, Alex Rickard and Anthony Prinz for their dedicated work to bring the Eastern Carolina Coalition together.

North Carolina Board of Transportation At Large Member Leigh McNairy stated the western North Carolina transportation entities indicated they could never get the cooperation eastern North Carolina has attained.

North Carolina Department of Transportation Division 2 Member Hugh Overholt stated there is remarkable cooperation between the eastern RPOs and MPOs. The Board of Transportation has a ferry committee, which is searching for help before the North Carolina General Assembly convenes. He requested the Eastern North Carolina Coalition share its information concerning the ferry system.

Economic Impact Analysis

Highway 70 Corridor Commission Director M. Durwood Stephenson stated six organizations partnered to submit three proposals for an economic impact analysis. The selection committee will interview the three firms and award a contract soon. Several sources for funding have been identified including the Goldsboro MPO and Town of Havelock. The Federal Highway Administration likes local monies to be included as a match for the grant. He requested anyone contact him with any additional local funding sources.

Town of Havelock Commissioner Danny Walsh requested the economic impact analysis include Cherry Point being cut by \$1 billion or \$.5 billion. He stated 41% of the money coming into Craven County, 25% of the money coming into Carteret County and 73% of the money coming into Onslow County is from the Department of Defense. Governmental cuts will great impact the economic analysis of the corridor.

Highway 70 Corridor Commission Director M. Durwood Stephenson invited participation in the selection committee interviews on October 23, 2012 at 10:00 a.m. in the Goldsboro City Hall. Technical personnel from the North Carolina Department of Transportation have been invited to attend the interviews. The economic impact analysis study will be very detailed.

Upon motion of Wayne County Commissioner Jack Best and seconded by Town of Havelock Commissioner Danny Walsh, the members of the Highway 70 Corridor Commission unanimously approved and authorized up to \$25,000 for an economic impact analysis.

Division 2 Review and Project Updates

North Carolina Department of Transportation Division 2 Engineer Neil Lassiter updated the Highway 70 Corridor Commission members on the following Division 2 projects:

Havelock Bypass

- Preferred corridor reaffirmed
- Looking at corridor to minimize impacts by early 2013

Slocum Gate Project

- Environmental survey completed soon
- Engineering firm is working on the traffic forecast

Kinston Bypass

- Environmental studies are underway
- Traffic forecast being analyzed
- Work is on schedule and continues through 2013

Town of Havelock Commissioner Danny Walsh thanked the North Carolina Board of Transportation members and North Carolina Department of Transportation Division 2 Engineer Neil Lassiter and his staff for replacing the Slocum Bridge. The bridge was originally built in 1924 by the federal government. Now, the State of North Carolina is replacing the bridge. It is estimated the replacement bridge will take 8,000 vehicles off US Highway 70 daily.

Division 4 Review and Project Updates

North Carolina Department of Transportation Division 4 Engineer John Rouse updated the Highway 70 Corridor Commission members on the following Division 4 projects:

Wilson's Mills

- Construction of interchanges at Wilson's Mills Road and Swift Creek Road
- Environmental surveys are underway and scheduled to be completed in spring 2013

- Preliminary design expected to be completed by fall 2013
- \$2 million has been secured for the planning and design phase
- This will bring project up to the environmental document, which is expected by March 2014
- Briefing to be scheduled for the Town of Wilson's Mills

Pine Level

- Construction of interchanges on US Highway 70 and US Highway 70 Business
- Seven median openings will be closed and two signals will be removed
- Plans are 25% complete
- The staff is reviewing hydraulic design and plan preparation now
- Right-of-way acquisition will begin in December 2012
- The contract is scheduled to be let in December 2013
- Estimated cost is \$17 million

Ebenezer Church Road/Capps Bridge Road

- Mainline directional crossovers will be constructed with bulbouts at adjacent crossovers
- Completion scheduled in December 2012

Princeton Safety Improvements

- Replace bridge 97 on US Highway 70 over Norfolk Southern Railway
- Project cost is \$3.2 million
- Project scheduled to be completed October 2013

Goldsboro Bypass

- Eastern most 12.5 mile section of the US Highway 70 Goldsboro Bypass was awarded to Barnhill Contracting Company as a design-build project in the amount of \$105 million with a completion date of summer 2015.
- Western most section of the Goldsboro Bypass from NC 581 to Interstate 795 was awarded to S. T. Wooten Company in the amount of \$62.5 million and is scheduled to be completed in summer 2015.

Comments

Highway 70 Corridor Commission Vice-Chairman Tom Steepy stated he has been working on the Outerbanks Banks National Scenic Byway. Carteret, Dare and Hyde counties are working together on this scenic byway. A grant enabled 13 acres to be purchased for a southern entrance in Carteret County. The property has been conveyed to Carteret County. After the site design has been completed next year, work will begin on the funding phase. A cultural and heritage tour is planned for the future. Logos and signage are currently being planned.

North Carolina Board of Transportation At Large Member Leigh McNairy stated the North Carolina Board of Transportation met in Dare County last month and had a presentation on the Outerbanks Banks National Scenic Byway, which generated lots of excitement.

North Carolina Board of Transportation Division 2 Member Hugh Overholt stated the Amtrak bus is running.

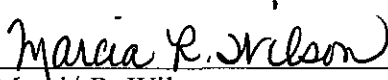
Highway 70 Corridor Commission Director M. Durwood Stephenson congratulated former Havelock Planning Director Scott Chase on his new position.

Next Meeting

The next meeting of the Highway 70 Corridor Commission will be held in Craven County on January 17, 2013 at 2:00 p.m. The location will be announced later.

Adjournment

There being no further business, Highway 70 Corridor Commission Vice-Chairman Tom Steepy adjourned the meeting at 3:30 p.m.



Marcia R. Wilson