



US 70 Corridor Commission

DIRECTOR'S REPORT M. DURWOOD STEPHENSON, DIRECTOR FOR MONTHS OF MARCH & APRIL, 2018

The harsh winter that kept us cold and wet in January and February continued into March as April promised Spring, but sporadically emerged only to retract, leaving yearning for the anticipated warmth of May.

Many of the major issues and battles confronting Eastern North Carolina persisted in March and April. The Atlantic Coast Pipeline (ACP) continued to dominate headlines with concerns on the lingering impacts of Hurricane Matthew and the fear of another Hurricane season. The rise and fall and continuing prospects of CSX Intermodal Hub continued on the agenda. In an interview with Triangle Business Journal on March 23, 2018, Governor Cooper expressed optimism about CSX plans for eastern North Carolina. NCDOT Secretary, General Trogon and NCDOT Chief Operating Officer, Bobby Lewis have continued to pursue this opportunity giving rise to a hopeful outcome. Persistence abounds with a renewed commitment to developing Food Commercialization Center in Ayden. A new Board of Directors has been established and are working hard to make it happen.

And who among us in Eastern North Carolina can forget the devastation of Matthew, October, 2016 as we travel communities exposing abandoned homes and hear the stories of families still in peril enduring mold, decay, temporary unstable housing or worse homelessness. As we surpass more than 18 months since Matthew's flooding, few of our citizens have received financial assistance and most of all not well informed on the process for requesting aid. More on Flood Mitigation efforts and status later in this report.

All of these issues demanded our time and attention as we continued our major agenda, Transportation projects in concert with our Transportation partners at NCDOT: including Wilson's Mills, Pine Level, Princeton, Havelock, Kinston and James City.

Innovation and technology continues to promise life changing trends, but the rapidly evolving future of autonomous vehicles suffered a setback recently with a pedestrian fatality in Tempe, Arizona. Although admittedly, the circumstances would undoubtedly have a similar result with a traditional manned operated vehicle, doubt ensued new technology has promised superior adaptability to environment and obstacles.

M. Durwood Stephenson
Director

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Autonomous vehicles are an element of artificial intelligence (A.I.). A recent article in **THE NEW YORKER** magazine speculated that the perils of A.I. has exceeded its promise. “Precisely how and when will our curiosity kill us? Well – an A.I. designed vehicle has its first kill.

It is the contention by developers and manufacturers that Automatic Vehicles (AV) will greatly reduce the number and severity of crashes. It is an argument that appears to be widely accepted by the maturing public, but the issue of liability for those who are injured or killed must be addressed and decided.

A bill now pending in the United States Senate eliminates an individual’s right to sue AV companies until the vehicles are governed by Federal Standards. The debate continues but appears unlikely to become law, particularly during the most vulnerable period of AV testing and experimentation.

The recent fatality, the pending Congressional legislation and the liability issue are likely to derail the seemingly fast-tracking of AV’s until more testing and perhaps until Federal Standards are written and approved.

A barrage of Resolutions of Support for the approval, construction and development of the Atlantic Coast Pipeline (ACP) has been adopted by countless Towns, Cities and Counties throughout Eastern North Carolina evidencing strong support throughout the region for this much needed and highly supported infrastructure.

On Wednesday, March 14, Goldsboro Mayor, Chuck Allen and Kate Daniels, President and Executive Director, Wayne County Chamber of Commerce, hosted their annual Wayne County Transportation Forum and lunch at Goldsboro Events Center. Kevin Lacy, State Traffic Engineer, Transportation Mobility and Safety Division, was the keynote speaker. Kevin gave us a glimpse of the future of transportation and the dramatic impact of artificial intelligence. Kevin emphasized the inevitable rapid transition to autonomous, driverless vehicles and the necessary changes in highways adapting to a new era of transportation. Borrowing Kevin’s ideas in my last January and February report, I cautioned the future is moving faster than most of us realize, but this report suggests a recent pedestrian fatality may have slowed the momentum.

Division 2 under the direction of Division Engineer, Preston Hunter, is heavily engaged with a large volume of key agenda projects: James City, Havelock Bypass and Kinston Bypass. The U.S. 70 Kinston Bypass (STIP Project Number R-2553) is moving forward and now has a more defined schedule:

- Draft Environmental Impact Statement (DEIS) Summer 2018
- Select Preferred Alternative – Fall 2018
- Final Environmental Impact Statement (FEIS) – Winter 2020
- ROW Acquisition – 2022
- Construction – 2025

NCDOT Secretary Jim Trogdon has a plan to escalate this and many other projects under the Build NC legislation. We must join the effort by encouraging our Legislators to support this escalation plan.

FILE MEMO
March 19, 2018

CRAVEN COUNTY
SUMMARY

On Monday, March 19 at the request of Craven County Commissioner Chairman, Tom Mark, I met with Board of Commissioners in an open meeting. The purpose of the meeting was to discuss a Resolution in Support of ACP. I provided a brief update:

- \$ 6 billion gas line
Choosing 8 counties in Eastern N.C.
- FERC (Federal Energy Regulatory Commission) has issued permit
- Tree “felling” is underway along the route including N.C.
- VA has received a funding commitment from Old Dominion for \$ 80 mil to fund taps, distribution and environmental mitigation.
- NC Farm Bureau President, Norris Tolson and I have met with Duke & Old Dominion several times to discuss gas availability in Eastern N.C. In order to assure jobs, economic development and gas to Farmers, we requested a fund from Old Dominion and Duke in the amount of \$ 100 million.
- After several weeks NC Duke Energy President, David Fountain called to advise they would provide \$ 50 to \$ 60 million for mitigation and economy development (Taps & distribution). I indicated this would be insufficient, but a good start. I asked that they notify the Governors office of this commitment (in writing) stipulating the use of the funds.
- General Assembly learning of \$ 57.8 million fund, designated the fund for rural schools and N.C.’s plan for consumer gas in rural Eastern N.C. was no longer available and possible.
- Since funds were specified for gas expansion – not sure they are obligated to fund. They cannot add school contribution funding to their rate base for reimbursement from consumer utility bills.

Commissioner Steve Tyson stated, G.A. stole our funds. Everyone of us should call our General Assembly members today and ask them to return the funds on appropriate an adequate amount for taps and distribution.

I reminded them taps cost approx. \$ 1 million each and distribution lines average \$ 1 million per mile.

Agenda

**Eastern NC Regional Freight Study Coordination Meeting
City of Greenville Public Works Administration Main Conference Room
1500 Beatty Street, Greenville, NC 27834
April 3, 2018 at 10:00am**

1. Welcome
2. Introductions
3. Action Items
 - a. Partnership Participation and Support
 - b. Planning Area
 - c. Project Cost, Funding and Proposed Cost Share
 - d. Method of Solicitation of Professional Services
 - e. Project Management
 - f. Steering/Selection Committee
4. Next Steps
5. MPO/RPO Coalition
6. Comments and/or Closing Remarks
7. Adjournment

*Additional Information: Parking for the Public Works Admin building can be found on location with all lots located at the above address open to the public for parking. If there are any questions or concerns please contact Ryan Purtle at 252-329-4476.

After years of conflict, dialogue and negotiations, the local community has embraced the merit of U.S. 70 improvements at James City. In keeping with his aggressive agenda, Secretary Trogon has accelerated this project: NCDOT plans to advertise James City project to select a Design-Build team in June 2018. Interested firms will have six (6) months to respond. After selection, the project will move forward quickly. It will be our task to continue to promote and assist local community in obtaining best possible outcome.

Online shopping now accounts for more than 9% of U.S. retail sales leading to the demise of brick and mortar retail facilities. It has been conventional wisdom for a while that regional malls are fast approaching their expiration dates.

On Monday, March 19, at the request of Craven County Board of Commission Chairman, Tom Mark, I met with County Commissioners. My comments are noted in attached FILE MEMO.

NCDOT held a meeting on March 22, 2018 with local public officials to discuss STIP Project No. R-5813 (U.S. 70/I-42 Interchange at Little Baltimore Lenoir County).

The following schedule was provided:

State Environmental Assessment
Finding of No Significant Impact – Fall 2018
ROW Acquisition – 2023
Construction – 2024

On April 3, Ryan Purtle, Transportation Planner, Greenville MPO, hosted a meeting in Greenville to continue pursuit of Eastern NC Regional Freight Study Co-ordination. A copy of the Agenda is attached for your information and reference.

Dominion Power and Duke Energy began soliciting for employees in North Carolina to commence pipeline construction. The 600-mile pipeline has commenced tree-felling and is under construction in Virginia. The utilities are coordinating training with local community colleges.

Initial STIP 5 Data Scores were released. A review of the data will be on-going for the next several weeks.

A Federal Grant application for funding of broadband along U.S. 70 and I-95 is awaiting approval. NCDOT COO, Bobby Lewis and Sura Motsinger, Transportation Planning Project Manager, AECOM are optimistic N.C. will receive approval for the funds. A final decision should be announced by June 1, 2018. If received, the infrastructure will mark a major change and new opportunities for Eastern North Carolina.

On Tuesday, April 10, I attended the Council of State meeting where a vote to approve the final piece of the agreement with SELC to allow NCDOT to move forward with construction of Havelock Bypass. In addition to a \$ 57.8 million fund for environmental mitigation, NCDOT agreed to provide an easement across a large tract of land owned by NCDOT. The easement was approved by a 6 to 1 vote and 6 days later on April 16 NCDOT and SELC announced a final agreement and settlement to allow long-awaited Havelock Bypass to proceed

A copy of the Press Release is attached.

TO: DIRECTORS
U.S. 70 CORRIDOR COMMISSION

FROM: M. Durwood Stephenson

DATE: April 10, 2018

RE: HAVELOCK BYPASS
COUNCIL OF STATE
TUESDAY, APRIL 10, 2018

I am pleased to advise the executing of a conservation easement was approved by the Council of State this AM paving the way to a final settlement agreement with SELC allowing the Bypass to move forward.

We are now hoping for a February 2019 "let" date.

On the morning of April 16, an event announcement is planned in Havelock to announce the settlement with SELC and the plan forward on this long-awaited project.

Hopefully time and location will be finalized tomorrow, and you will be notified.

I commend the leadership, at NCDOT and the staff of Attorney General's office for an equitable and timely settlement to put this project back on track.

As you may recall FHWA signed off on this project on December 16, 2016 but was challenged by SELC.

Thanks to all who have participated and supported this much-needed project and the continuation of Interstate 42.

Following the Press Conference in Havelock on April 16 with the exciting news of the Settlement and Agreement between SELC and NCDOT for Havelock Bypass approval, citizens of the region expressed relief and excitement.

On April 18, I was the guest of Lockwood Phillips, local radio personality. Mr. Phillips encouraged call in listeners and together we responded to their questions and hopefully listened to their advice.

Following a request from Representative John Bell, Chairman N.C. House Select Committee on Disaster Relief, U.S. 70 Corridor Commission Director and Kinston Business owner, Russell Rhodes and I addressed this Committee. All members of the Committee expressed considerable frustration at failures to provide funding and relief to their constituents and our citizens. The process is lengthy and difficult, and funds are scarce.

As I noted in Director's Report of January and February 2018, the initial meeting of Neuse River Flood Mitigation Study was scheduled at Emergency Management Facilities on February 27. This study is led by N.C. Emergency Management Risk Management Section and consultant, AECOM. Subsequent meetings were held on March 27 and April 26, 2018 also at State Emergency Operations Center.

N.C. Emergency Management and consultant AECOM released their report on May 1, 2018. You may review the report online at https://files.nc.gov/rebuildnc/documents/files/neuse_mitigation_report.pdf.

N.C. DOT is partnering with North Carolina State University for the Neuse River Flood Mitigation Study. The study led by Matt Lauffer, NCDOT Assistant State Hydraulics Engineer and Leilani Paugh, NCDOT Environmental Analysis Unit is focused on Neuse River along U.S. 70 Corridor. The study plan and schedule is noted below:

Spring 2018 – Characterizing basin, inventory of infrastructure, stake holder outreach.
(Stakeholder workshops were at Global Transpark on April 17, Town of Smithfield on the morning of April 23 and in Goldsboro in the afternoon)

Summer/Fall 2018 – Conduct local modeling, validation, progress report

Winter 2019 – Access abatement measures, stake holder outreach

Spring 2019 – Final Report

Flooding is the most costly type of natural disaster in the United States, responsible for an average of 140 deaths and \$ 6 billion in damages each year.

I have attended more than 30 meetings, conferences and seminars discussing cause, effect and solutions to the devastation imposed by Matthew. As we approach another Hurricane season predicted to be more frequent and severe than in recent history, we must convince our citizens and our leaders to adopt new policies to mitigate the risks of severe flooding.

In 2012 Congress passed a bill to increase NFIP Premiums reflecting flooding risks. Homeowners and developers convinced Congress to repeal these risk adverse premiums. In N.C. we experienced floods from Hurricanes that exceeded 100-year flood levels in 1996, 1999 and 2016. The result, as noted earlier, is FEMA has been slow to fund flood repairs hence the continuing saga of homeowners struggling to repair/elevate flooded homes.

The NFIP is now \$ 25 billion in debt and unable to respond quickly to the growing need.

Hopefully these studies will provide some solutions that are “doable” and “affordable”. The continuing process of rebuilding and resisting may become a single solution of retreat and NFIP premiums will be increased significantly or possibly repealed for properties at high risk.

The 2018 Atlantic hurricane season, which runs from June 1 through November 30 is almost upon us and is expected to be above normal. The meteorology Project at Colorado State University who has been the principal forecaster for Hurricanes predicts North Carolina will experience a probability of more than 36 percent for a Hurricane to make landfall here in 2018.

Representative John Bell, Chairman of House Select Committee on Disaster Relief, all of his committee members, elected officials throughout Eastern North Carolina and too many citizens continuing to struggle in the aftermath of the devastation of Matthew are united in our cries for financial assistance to restore normalcy. In view of the slowness of the responses to aid requests, leads us to the obvious quandary: Is the failure of the system to respond just Bureaucracy at its worst or is it willful concealment of a system that is broke with a \$ 25 million deficit. As I mentioned in my remarks to Representative Bell’s Committee – more questions than answers. We are all frustrated.

We continue to be reminded of the rural – urban divide. In a recent **News & Observer** article, Distinguished UNC Law Professor, Gene Nichol and a participant and contributor to NC Poverty Research Fund focused on Goldsboro and Wilkes County detailing their economic difficulties in an article titled **A North Carolina Divide**. The condition described in these two communities is a parallel vision of too much of rural North Carolina – 80 of our 100 counties – most of our State – are losing population and median income has declined by nearly 30 percent over the past 15 years.

A second article reporting from the **N&O Forum on Urban-Rural Divide Looks At ‘Classic Tale of 2 Carolinas’** written by N&O Reporter Ann Blythe retold a too-familiar story.

Both articles adroitly described the divide and offered very general 30,000 feet up improvement concepts for improvements but were scarce on details and specifics for change.

The U.S. 70 Corridor Commission has made great progress in creating connectivity between the rural East and the urban centers – farm to market roads, an International mapped Interstate (I-42) through the heart of rural North Carolina with access to our ports and shipping to global markets.

We have also been proactive in promoting economic vehicles that will bring meaningful improvements to the future of rural Eastern North Carolina.

- CSX Intermodal HUB (N.C. Ports Director, Paul Cozza says this rail HUB could have an economic impact that rivals the Airline Hub in Atlanta – WOW!)
- Atlantic Coast Pipeline as documented in last report, we at the U.S. 70 Corridor Commission have been asked to defend why we support ACP despite some expressed opposition. Jobs, more than \$ 28 million in tax revenues to rural Counties that can be used to fund additional education, water, sewer and other benefits are obvious benefits that also offer opportunities to potential manufacturing interests.
- High Speed Internet (State Senator Erica Smith who represents eight rural counties in northwestern corner of our State cites school children forced to do homework outside McDonald’s restaurants to access the Internet). As previously reported, NCDOT Chief Operations Officer, Bobby Lewis has applied for a Federal Grant to fund development of Broadband along I-95 and U.S. 70/I-42.

In an editorial letter written by Michael Cooper, an attorney in rural Wilkes County, wrote “What’s the greatest issue facing North Carolina? It’s the rural-urban divide.”

“North Carolina is a microcosm of a country moving in opposite directions – growing cities and forgotten small towns – as Wake and Mecklenburg enjoy a metropolitan revolution while rural counties lose population and their way of life.”

Mr. Cooper suggests exiting educated millennials return to their rural roots in large numbers to build bridges to the future will reduce the divide gap.

With more than 600,000 North Carolina residents lacking any high-speed internet service, municipal leaders are pushing for policy changes designed to create public-private partnerships encouraging local governments to build broadband infrastructure and lease it to private internet providers. The regulatory change is included in legislation introduced in 2017 titled BRIGHT FUTURES ACT, House Bill 68. Unfortunately, the legislation has been in the Senate Rules Committee and does not have a funding mechanism. Hopefully the Federal Grant being solicited by Bobby Lewis will be a model for future rural Broadband Infrastructure.

On April 25, the North Carolina Chamber hosted Transportation & Infrastructure Summit in Durham – NCDOT Secretary, General Trogdon opened the conference with a timely, urgent topic, “Meeting North Carolina’s Transportation and Infrastructure Needs.” Followed by an impressive panel offering innovative “New Approaches to Funding.” It has become obvious our current funding sources are declining and inadequate. Ports Director, Paul Cozza; Michael Landgoth, President – Raleigh-Durham Airport International Airport; and Bobby Lewis, Chief Operating Officer, NCDOT; gave an “Update on Upcoming Transformative Infrastructure Projects.” “Workforce Challenges Impacting Transportation and Infrastructure Projects.” Betsy Bailey, Director N.C. Government Relations offered a reality check on a dwindling work force. Bruce McKay, Senior Policy Director, Atlantic Coast Pipeline gave an update on status of “Atlantic Coast Pipeline.” Robert Simpson III, Director Grid Plan Integration, Duke Energy assured us of a plan forward to assure adequate electrical energy. The keynote address by James Ray, Senior Advisor for Infrastructure gave us an update on “Federal Infrastructure Update.”

The conference concluded with a prestigious panel offering a “Futuristic Look” into logistics in a changing environment.

As noted in this report Transportation continues as a significant topic of interest:

- Wake County Chamber
- NC Chamber

And now a Regional Eastern North Carolina Transportation Summit is being planned by John Chaffee, President & CEO, NC East Alliance. We will keep you posted when date for this summit is finalized.

It is obvious transportation and logistics are critical to a successful economic change in our region and our State.

This report has offered a plethora of topics, considerations and challenges that run the gamut of now versus tomorrow. But all are related to our purpose and vision of a better Eastern North Carolina. A rural region that, hopefully, offers opportunities that allow and encourage our children and grandchildren to return to their roots with confidence they can raise their families in an environment that offers jobs and a favorable quality of life.

Benjamin Franklin reportedly wrote, "Well done is better than well said."

As noted in this report the first quarter of 2018 has been filled with seminars, planning and discussions on what is necessary to change the futures of Eastern North Carolina. The experts have given us great advice in dialogue and ideas. It is our task to transform the words into action. As a region the many facets of a growing economic region cannot subscribe to a philosophy to float with the tide, but rather a determined mindset of pulling, streaming, demanding and togging at every opportunity. The future cannot be left to providence – it must be well done – not just well said.

I believe our organization has the mind set as evidenced by our regional efforts to join every agenda for progressive change. Our specific agenda continues to be transportation, but in partnership with other groups that are working for change.



Durwood Stephenson <durwoodus70@gmail.com>

Quote in Press Release

2 messages

Meister, Nicole D <ndmeister@ncdot.gov>

Fri, Apr 13, 2018 at 8:34 AM

To: "durwoodus70@gmail.com" <durwoodus70@gmail.com>

Good morning, Durwood. I have included a quote from you in the DRAFT press release for the Havelock Bypass announcement on Monday. I highlighted it at the end of the release. Will you please review and let me know if you approve it or have any changes? We need to finalize it this morning.

Thank you,

Nicole

Settlement Agreement Reached for U.S. 70 Havelock Bypass

HAVELOCK – The N.C. Department of Transportation (NCDOT) has signed a settlement agreement with Sierra Club represented by the Southern Environmental Law Center, allowing NCDOT to proceed with the U.S. 70 Havelock Bypass in Craven County while addressing project-related conservation concerns associated with the Croatan National Forest and providing resources for long-term protection of the Forest. The Sierra Club now will dismiss the lawsuit that was filed in federal court in 2016, and the project can now proceed once all permits are obtained. The Federal Highway Administration and U.S. Fish and Wildlife also were parties to the lawsuit.

Under the agreement:

- NCDOT will convey a conservation easement on land owned by the department adjacent to the project and in the proclamation boundary of the Croatan National Forest to the NC Coastal Land Trust. The conservation easement will protect the land now and in the future, providing additional protection for the Forest, which is a unique habitat for the Red-Cockaded Woodpecker. The N.C. Council of State and N.C. Board of Transportation have approved conveyance of the easement. It must be approved by the Land Trust Board of Directors before it is conveyed.
- The department will provide \$5.3 million to the NC Coastal Land Trust to create the Croatan Protection Fund, which will be used to protect land in and around the Croatan National Forest.
- The department will provide \$2 million to create a perpetual revolving loan fund to protect additional property for conservation purposes in Carteret, Jones and Craven counties.
- The department will employ sensitive construction practices as it builds the road to ensure minimal disturbance to key habitat and sensitive wildlife.
- Prior to entering into the settlement, the U.S. Fish and Wildlife Service and U.S. Forest Service exchanged letters clarifying their respective commitments to maintain important habitat between the Bypass and the Town of Havelock through prescribed burning.

“This is a mutually beneficial agreement where both the transportation needs of citizens are met, while at the same time facilitating on-going conservation measures to protect a unique North Carolina habitat,” NCDOT General Counsel Chuck Watts said.

“This settlement demonstrates how the state can work together with conservation groups to set in place infrastructure in a more environmentally sensitive way,” said Kym Hunter, attorney at the Southern Environmental Law Center. “The protections that will be set in place by this settlement will help preserve one of North Carolina’s most special places for decades to come.”

The 10.3-mile bypass will be four lanes divided by a median and will provide a high-speed alternative to using U.S. 70 through Havelock, which is hampered by numerous traffic signals at intersecting side streets. Construction is scheduled to start in early 2019 and be completed in 2022.

“The Croatan National Forest is a forgotten treasure of our coast, with landscapes that are an important part of our natural and state history” said Michael Murdoch of the Croatan Chapter of the Sierra Club. “This settlement provides the means to ensure that North Carolina’s natural heritage is preserved for our children and their children.”

“This agreement is a win-win for the people of North Carolina,” Durwood Stephenson, business owner and Highway 70 Corridor Commission director said. “The community first started planning for this project nearly 40 years ago, and now it will soon be a reality.”

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Nicole Meister

Director of Communications

North Carolina Department of Transportation