



# US 70 Corridor Commission

## DIRECTOR'S REPORT FOR MONTH OF MARCH, 2015 M. DURWOOD STEPHENSON, DIRECTOR

As has become customary during this long, hard winter, we begin with a weather comment: Even here in the South, we are unzipping our heavy coats and putting away the ice scrapers, anxious for spring. In a few short weeks the dogwood trees will begin blooming, the temperatures will rise and spring will become reality.

As we turn from February and rush toward March with its promise of spring, we do so with a great sigh. The month of February was brutal and cruel and the only satisfaction was probably Punxsutawney Phil, the groundhog that accurately predicted a continuing winter. Weather was the top news story according to national news directors and Bureau chiefs with \$ 13 billion of damage to our assets coupled with the discomfort of people's animals and the harsh environment. The early days of our March spring have not been comforting or reassuring as the first official first day of spring witnessed snow and positive cold.

The citizen led General Assembly members have made the biennial trudge to Raleigh to deliberate the budget and key issues of the day. As infrastructure and transportation advocates, we are encouraged by early news that transportation will be a primary focus. In late 2014, I was given an opportunity to lunch with a down-east legislator seeking information on our transportation agenda. He began the discussions with an observation that is 'music to our ears': "I am interested in learning more about transportation in our region because I am told it will be a key focus in the upcoming session of the General Assembly." It has proven to be an accurate assessment.

The trending favoring infrastructure and particularly transportation began in earnest in 2013: New funding formula specified by STIP; the Governor's 25-Year Vision for North Carolina (Mapping our future); and SB 402 (The Eastern Infrastructure Improvement Study) are evidence of the trending.

**M. Durwood Stephenson**  
Director

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Advocacy by business interests led by NCGO, N.C. Chamber, local community leaders through the U.S. 70 Corridor Commission and U.S. 17 Commission have been and continue to be key players in leading the charge for infrastructure and transportation investments. The Governor's 25 Year Vision Plan encourages transportation investment citing the arguments long pleaded by advocacy groups. "The productivity of a state or regional economy is influenced by its level of investment."

The General Assembly has been a complementing partner with the Governor as noted in directives for the study specifically identifying the following inclusion in the document:

- \*<sub>1</sub>
  - Addresses facility needs from a systems perspective
  - Casts a broad net in considering potential solutions
  - Complements the data analysis with expert stakeholder input
  - Considers the independence of the individual facilities and also between transportation and economic outcomes

The Governor's 25-Year Vision acknowledges the variances in needs of regions throughout the State and attempts to identify each region's distinctive needs and challenges. In addressing the Eastern region the Governor's vision plan identified the essential investments for Eastern North Carolina's economic future including:

- \*<sub>2</sub>
  - Dredging the Channel to 50-feet at Morehead City Port
  - Building out Radio Island for component and finished product processing energy and intermodal issues
  - Develop a joint Global Transpark to Morehead City rail and highway corridor, the U.S. 70/NCRR Bypass of Morehead City, beginning in the area of Havelock, including rail yards and bridges connecting Radio Island and the Morehead City Port. This would begin near the rail and highway bypass of New Bern.
  - Repurposing the existing NCRR rail line through Morehead City for other uses.

In last month's report (January & February), I noted legislative efforts to adjust gas tax that is poised to stop the "free fall" of gas tax revenues which would cost NCDOT billions of dollars in lost revenue in coming months. As noted SB20 was the first to offer remedy with solutions for declining revenue via gas tax by placing a "floor" on precipitous gas tax revenue drop. The House failed to concur with SB20 offering its own bill (HB40) which the Senate did not accept. The legislation was assigned to conference committee to negotiate an agreeable solution.

On Thursday, March 26, House and Senate leaders finally reached an agreement to cut a few pennies off the State gas and diesel fuel tax over the next two years and to cancel a more severe cut that would cost the North Carolina Department of Transportation hundreds of jobs and more than \$ 400 million in revenues.

The legislation has been signed by Governor McCrory and will provide a reduction in fuel tax through the end of 2016, but will provide a new rate formula which becomes effective in January, 2017 adjusting rate on changes in North Carolina's population growth and the National Consumer Price (CPI) for energy costs. In the interim the Governor's office and the General Assembly will seek a long-term fix for transportation funding. The U.S. Congress is also vigilantly exploring funding options to replace the Federal motor fuel tax.

We must and should become a part of the dialogue and lend our strong support for those ideas that provide a stable transportation funding source that is fair and equitable to our citizenry and the motoring public.

The pre-session epiphany of our Eastern legislator appears to be prophetic as transportation legislation is at the forefront of subject bills being introduced early in the session. (As noted in January/February report HB 74 titled "TO STUDY THE OVERSIGHT OF METROPOLITAN PLANNING ORGANIZATIONS AND RURAL PLANNING ORGANIZATIONS AND THEIR ROLE IN TRANSPORTATION PLANNING" will examine local MPO's and RPO's role in transportation planning). MPO's are empowered by federal regulation with RPO's established by state legislation. At this juncture, there is little discussion about the purpose and agenda of the planned study. We will continue to monitor the process and encourage our MPO/RPO planning staffs to be alert and involved.

In addition to the "gas tax" fix and HB 74 reviewing MPO/RPO duties, activities and responsibilities, the following transportation bills have been introduced as of the date of this report:

- \*<sub>3</sub> :     HB 257 – Clean Fuel Tax  
          Encourage the use of clean, unadulterated fuels  
          by reducing the tax rate on motor fuel that is ethanol-free.
  
- HB 217 – Distribution of Highway Use Tax & Fees  
       Adjust the rate of the Highway Use Tax for the  
       short-term lease or rental of a motor vehicle.  
       Adjust the distribution of the Highway Use  
       Taxes collected on the short-term lease or  
       rental of a motor vehicle.
  
- HB 448 – Equalize Tax on Propane used as a Motor Fuel.  
       Equalize taxation of liquified propane gas when used as a motor fuel.
  
- HB67/SB110 – Phase out certain Highway Fund Transfers.  
       Phase out the transfer of funds from the Highway  
       Fund to the General Fund.
  
- HB 203 – Phase out Fuel Tax.  
       Replace the Motor Fuels Tax with a  
       Transportation usage fee.
  
- SB 639 – Transportation Funding Bill  
       Fuel Tax

In addition to the active transportation agenda of the General Assembly, Governor McCrory continues to promote a \$ 3 billion bond issue with \$ 1.5 billion allocated to transportation projects; with priority for “shovel ready projects that will provide connectivity.”

Our role as transportation advocates demands that we remain diligent and stay informed on the status as well as the pros and cons of all of this legislation.

I believe it is safe to assume the Directors of the U.S. 70 Commission are fully supportive of efforts to stop the transfer of funds from Highway Fund to General Fund; an idea that has been discussed for years, but whose time has come for action.

A second pending issue on which I would assume strong support from our organization is the Governor’s Bond Plan. The General Assembly is indicating a vote of the people will be required. Traditionally the voters of North Carolina have favored bond funds for transportation. It is incumbent upon us to encourage our legislators to approve the voting opportunity and to follow-up with local voters to vote “FOR” transportation funding.

The U.S. Congress is on a parallel track diligently seeking solutions to the crisis of infrastructure/transportation degradation of those invaluable assets across the Nation. Our own North Carolina Department of transportation Secretary, Tony Tata and Congressman Rouzer recently joined U.S. House Transportation Committee Chair, Bill Shuster for discussions and a tour of troubled transportation challenges. We are anxious to hear the plans and results of those deliberations. Congress is currently evaluating the solvency of the Federal Highway Trust Fund and appropriate funding to begin the process of salvaging our transportation assets with new revenue sources or a mere reauthorization of the Surface Transportation Act of 2012 – probably continuing the grossly underfunded scenario.

I have been assured by Congressional staffs that the ‘MILITARY TRANSPORTATION ACT OF 2014’ will be reintroduced by this new Congress. You may recall the legislation (HR 5561) was introduced by Congressman G.K. Butterfield and co-sponsored by Congressman Walter Jones at the last hours of the 2014 session. The legislation will be a repeat of the earlier bill designating U.S. 70/795 as future Interstates. Congressmen Holding and Rouzer have agreed to join as co-sponsors. Senators Tillis and Burr have also expressed support and plan to introduce in the Senate a comparison Bipartisan bill. These actions by House and Senate is scheduled early in the upcoming month of April.

This designation has been a best-possible scenario agenda for us for many years. Although it was, in the early years, difficult to get traction and serious consideration, our congressional representatives, House and Senate, understand the significance of the designation. Supposedly there are advantages, financial and otherwise to a Congressional designation mandated by law. In 1991, Congress created the High Priority Corridor program to identify high priority corridors on the National Highway System. This legislation identified as ISTEA survived for 6 years expiring in 1997. However, high priority corridors, i.e., U.S. 70 and others have continued to be identified as high priority. ISTEA was followed by TEA-21 in 1998. Tea21 continued for 5 years until 2003. MAP-21 was passed by Congress in 2012. In recent conversations with Congressional representatives the importance and necessity of an effective Intermodal Surface Transportation Act is frequently expressed. Hopefully concern for the deterioration of our transportation assets will translate into action that will benefit High Priority Corridors especially those designated as future Interstates. Without question the designation will boost hope and morale in our region. It is a big deal.

We are indebted to our Congressional Representatives and hope each of you will take the time from your busy schedule to express thanks to our House and Senate members who have taken this giant step forward. Please do it today as you read this report. It is a major event for Eastern North Carolina Transportation. Appropriate contact information will be provided as an attachment to this report.

While in the "contact mode" remind them of the perils of expanding Clean Water Act authority, the need for funds to dredge our ports for increased efficiency for port users and the necessity of an appropriately funded Surface Transportation Act.

As noted in January/February report, I received a number of inquiries following a radio conversation with Lockwood Phillips of Radio Station 107.1 in Morehead City. Intelligent telephone and email dialogue ensued. Suggestions for our website were received and we, with the assistance of our Division Engineers and Marcia Wilson, responded. Our reporting of legislation planned for future Interstate designation has, as we anticipated, created considerable comments of support and excitement. Many newspapers are also writing informative articles in support of the plan.

NCDOT Secretary Tony Tata recommended adding links to the Governor's 25-Year Vision and Strategic Plan for the ports. As Secretary Tata noted both stress the importance of U.S. 70 and Morehead City Port. We have added that link and believe it provides our followers with important information and new hope for infrastructure and transportation in Eastern North Carolina.

On March 2, Division Engineer, Tim Little released the results of bids for construction of a key corridor project along U.S. 70 to improve traffic safety and remove additional traffic signals in Pine Level. The 2.198 mile project improving U.S. 70 Highway from SR 2305 (Fire Tower Road) to east of SR 2310 (Davis Mill Road – Stevens Chapel Road) will eliminate unsafe at-grade interactions. The project was awarded to Flat Iron Constructors with a low bid approximately 8.7% below DOT engineers' estimate.

The early days of the 2015 General Assembly have been marked by a debate, at least in newspapers, between rural and urban interests. Senate majority leader, Harry Brown citing the evolving of two North Carolinas, revealed plans to change the distribution of sales tax revenue utilizing population in lieu of current process that rewards "point of destination" which replaced origin of sale distribution in 1987. It will be an interesting debate to watch as the rural east seeks opportunities to advance facilities especially our schools. As citizens of rural North Carolina, we applaud efforts to equalize opportunity, but our organization takes no official position on this issue.

Rapid shoaling at our Morehead City Port continues to disrupt port operations forcing cargo ships to minimize loads due to the shallow water after shoaling. During visits down east by Secretary Tata, he expressed concern about port efficiencies and the need for additional funds for dredging.

Jack Best informed me of a process being used at Florida ports called "Sand Bypass System." Admittedly we do not yet know the details of the procedure nor the costs, but have referred to Bobby Lewis for research. In keeping with Secretary Tata's effort we all must explore every option to improve our ports and make them viable in the Global marketplace.

Tyler Harris, Director, Community Plans & Liaison Office, MCAS Cherry Point, contacted me seeking current status and projected timelines for Slocum Gate Project (R-5516) Construction of Flyover on U.S. 70 at Slocum Gate. With the assistance of Rob Hanson the current status and planned schedule was provided.

A copy of my response to Mr. Harris is attached for your information and as a notice to our Directors and other area interested partners, particularly our military friends.

For the past several months all transportation advocates have been participants in the process of developing the new funding formula legislated in 2013 and identified as State Transportation Improvement Program (STIP). It is a process that will continue to evolve and adjust to terms and conditions that will/can provide funding for projects that will connect people, jobs and services in accordance with a specific scoring formula. During the month of March NCDOT began a series of public meetings to inform the citizens about the process and gather citizen comments on the STIP process. There will be no formal presentations, but participants can study maps of projects proposed for funding for years 2016-2025. NCDOT staff will be present to review project information and to review a brief video for the audience. The public meetings are scheduled to continue through the month of April.

On March 10, NCDOT conducted a public forum at Princeton Town Hall to discuss and explain a plan in design to improve traffic safety at U.S. 70 intersections in Princeton at SR 2522 (Martin Livestock Road) and SR 2314 (Pondfield Road). A "W" safety project is planned and is identified as Project W-5601B. In justifying the planned project, Haywood Daughtry, Eastern Regional Field Operations Engineer, offered a startling observation citing the large number of fatalities and debilitating injuries during the past several years. A copy of the crash data provided by NCDOT's Safety Division as provided by Mr. Daughtry is attached. Too many deaths and too many of our citizens have been left crippled for life. Although we understand the difficulties that may be posed for farmers seeking access to fields on both sides of U.S. 70, safety should and must be DOT's top priority. However, every possible option must be explored to minimize impact on the agricultural community.

Governor McCrory chose to extend the terms of three currently serving Board of Transportation members. We are extremely fortunate to have Major General Hugh Overholt continuing to represent Division 2 and Gus Tulloss reappointed to serve us as Division 4 representative. The only other current member of the nineteen member Board to be reappointed is At Large Member Andrew Perkins.

We owe a great debt of gratitude to General Overholt and Gus for their unselfish commitment to North Carolina and especially to Eastern North Carolina and the U.S. 70 and U.S. 17 agendas. It is a non-paying job that requires a significant time commitment. Thanks to both of you. We look forward to continuing our work together.

In his State of the State address, Governor McCrory proposed a general bond obligation of approximately \$3 billion; approximately \$ 1.2 to \$ 1.4 billion to renovate State buildings in Raleigh with the balance utilized for transportation project. The bond financed idea remains active and is a component of transportation funding discussions in the General Assembly. The General Assembly seems "warm" to the idea, but insists it will be a statewide vote of the people. Although approval by the voters will escalate construction of the projects selected, it does not represent new

additional funding; it is borrowing utilizing pledge future revenues. Transportation advocates and the business community have repeatedly called on State leaders to find new money for transportation.

Transportation leaders in the General Assembly have acknowledged the need for additional revenue. Senator Rabon, co-chair of Senate Transportation Appropriations Committee described the funding gap as a "crisis." House Transportation Co-Chairman, John Torbett says he concurs with Senator Rabon's assessment.

It is obvious General Assembly Transportation leaders have recognized the funding problem and continued discussions and new ideas are being evaluated. We will continue to monitor those discussions and ask for your support in promoting the best ideas.

The Havelock Bypass continues to be a focus for our organization recognizing not only its significance to the Freeway Corridor, but also the importance to the military. A large number of Resolutions of Support for completion of this projected have been approved and received. We will be forwarding to Secretary Tata and region Congressional Representatives.

The debate between rural vs. urban divide has been noteworthy as our Eastern North Carolina legislators have aggressively pushed for better opportunities for our region. We should endorse and support their efforts.

The 2015 Session of General Assembly has been and continues to be very active with a lot of new ideas being introduced since the month of April began. As budget negotiations unfold, the pace will only accelerate. Stay in touch and informed.

Thanks for the continuing efforts of each of you and keep coming with the ideas.

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## NOTES

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- \*<sub>1</sub> Executive Summary  
North Carolina  
Eastern Infrastructure Improvement Study  
Pursuant to SB 402 Section 34.23  
2013 Session of the General Assembly  
Page ES-2
  
- \*<sub>2</sub> Ibid  
Page ES-3
  
- \*<sub>3</sub> Active Legislation 2015 Session  
Brief Summary provided by Bobby Lewis  
Presented for information purposes only and does not indicate any official  
position by Directors of U.S. 70 Corridor Commission of N.C. Inc.



# EASTERN NORTH CAROLINA CONGRESSIONAL CONTACTS

## Honorable Senator Tom Tillis

Ray Starling  
John Mashburn

## Honorable Senator Richard Burr

Janet Bradbury  
Matthew Dockham  
Betty Jo Shephard

## Honorable Congressman G.K. Butterfield

Dennis Sills  
Saul Hernandez  
Ray Rogers  
Carnella Hill

## Honorable Congressman Walter Jones

Glen Downs  
Josh Bowlen  
Maggie Ayrea

## Honorable Congressman George Holding

Kris Denzel  
Alice McCall  
Jason Cooke

## Honorable Congressman David Rouzer

Chance Lambeth  
Melissa Murphy  
Dwight Williams  
Tyler Foote

TO: Tyler Harris  
US MCAS

FROM: M. Durwood Stephenson

DATE: March 9, 2015

RE: SLOCUM GATE PROJECT  
CRAVEN COUNTY – R-5516  
CONSTRUCTION OF FLYOVER ON U.S. 70 AT SLOCUM GATE

Sorry I missed your return call, but i did get your message.

**FUNDING:**

The project is fully funded in Draft 2016-2025 for ROW and LET.

**SCHEDULE:**

- Feasibility Study prepared by Dept. of Defense – completed 2009
- Categorical Exclusion – completed December 2013
- Right of Way Acquisition – FY 2015
- Construction – FY 2017

**ACTIVITIES UNDERWAY/COMPLETED:**

- Scoping Meeting held – February, 2012
- Citizens Informational Workshop and Public Officials meeting held – June 26, 2012 and June 25, 2013
- Traffic Forecast completed – February 2013
- Preliminary Design updated – November 2013
- Categorical Exclusion Environmental Document – approved December 2013

**UPCOMING ACTIONS:**

- Consultant is currently working on final design
- Right of way acquisition scheduled to begin June, 2015

Hope this provides info you need. I am also forwarding a few slides that may be of interest.

## W-5601B Crash Data

- Project submittal included crash data between 3/1/2009 and 2/28/2014
  - US 70 at SR 2522 (Martin Livestock)
    - 8 crashes
      - 2 angles
      - 2 run off roads
      - 1 left turn-different road
      - 1 left turn-same road
      - 1 rear end
      - 1 sideswipe-same direction
    - 6 non-fatal injuries
      - 1 B-injury
      - 5 C-injuries
  - US 70 at SR 2314 (Pondfield Road)
    - 5 crashes
      - 1 angle
      - 1 run off road
      - 1 left turn-different road
      - 1 rear end
      - 1 sideswipe-same direction
    - 6 non-fatal injuries
      - 1 A-injury
      - 3 B-injuries
      - 2 C-injuries
  
- Historical data between 3/1/1990 and 2/28/2015
  - US 70 at SR 2522 (Martin Livestock)
    - 30 crashes
      - 8 angles
      - 5 run off roads
      - 8 left turns-different road
      - 1 left turn-same road
      - 4 rear ends
      - 2 sideswipes-same direction
      - 1 head-on
      - 1 movable object in roadway
    - 37 injuries
      - 2 fatalities
      - 4 A-injuries
      - 15 B-injuries
      - 16 C-injuries
  - US 70 at SR 2314 (Pondfield Road)
    - 23 crashes
      - 4 angles
      - 12 run off roads
      - 1 left turn-different road
      - 2 left turns-same road
      - 1 rear end
      - 1 sideswipe-same direction
      - 1 head-on
      - 1 animal
    - 20 injuries
      - 2 fatalities
      - 4 A-injuries
      - 9 B-injuries
      - 5 C-injuries