



# US 70 Corridor Commission

## DIRECTOR'S REPORT FOR MONTH OF MARCH, 2014 M. DURWOOD STEPHENSON, DIRECTOR

March madness has come and gone and on the heels of a cold, wet winter. Our thoughts now turn to spring and the renewal of the newness of life as trees bud and flowers peek through, promising a full bloom of color in the days ahead.

The winds of March portend “newness” thrust upon us – ready or not – as identified in January and February reports. The realities of the new transportation funding is beginning the elucidation process. We peruse new project scoring trepidatiously. Early rumors of Spot deliberations leave us incommode without excited anticipation of final results. As General Overholt recently reminded us, the process is new and will require months of review and adjustment. We must not, at this juncture, attack the process with vituperations. Our challenge is to adapt and change. Change is generally driven by problems that need resolution. After assiduously analyzing the process, we find our agenda challenged. It shall be our task to effect the change.

In an early March conference in Charlotte, Governor McCrory and NCDOT Secretary Tata reconfirmed General Overholt’s declaration. The message stressed by the pair was expect more changes in how the State decides when and where to build roads, bridges and rail lines. The Governor and Transportation Secretary acknowledged the continuous decline of transportation dollars, but without any speculation on a plan to stem the out-flowing tide or to offer suggestions for new revenue enhancements. They did suggest expanding P3 projects (Public-Private-Partnerships). This is a useful tool that can and must be utilized when feasible. It does favor major metropolitan, high traffic volume congestion projects. The conference ended with a major announcement for a P3 project - \$ 655 million for I-77 improvements in Charlotte.

Non-traditional funding planned by innovative transportation leaders must become more habitual. In our region, innovative funding devices authored by Bobby Lewis has short-circuited the funding process for the Goldsboro Bypass by 20 years; a major contribution to the U.S. 70 Corridor Freeway plan.

**M. Durwood Stephenson**  
Director

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Board of Transportation Member, Ferrell Blount and Greenville Mayor, Alan Thomas are diligently working and planning to secure alternative funding for construction of the Greenville Southwest Bypass, a top priority of the U.S. 70 Corridor Commission. It is our duty and responsibility to assist their efforts in every way possible.

In Lenoir County, the windy month has been a time for local community to discuss and review remaining U.S. 70 Kinston Bypass routes. As noted last month, the northern routes have been eliminated with only southern route, existing and "Shallow" Bypass routes under consideration. The proposed "Shallow" Bypass route has garnered the most public support, but the Lenoir Community College Board of Trustees have expressed concerns. NCDOT and local leaders have begun dialogue with the College Board and their leaders. This is a process that will no doubt continue and hopefully all parties in the local community will develop best possible options for this route.

On March 18, the Carteret County Economic Development Council hosted a group to discuss the status and future of Planit East; goals, assets, organizational structure going forward and identify territory. The importance of the military in Eastern North Carolina was emphasized. There was considerable debate on the territory to be served by a future Planit East organization. The Eastern Region is transitioning to Eastern North Carolina Alliance encompassing 13 counties. The current Planit East serves 9 counties while the Eastern North Carolina Coalition of MPO's/RPO's basically speaks for all Counties east of I-95; 41 Counties with a population of approximately 2.7 million people. Certainly I do not speak for Planit East, but my perception as an observer was the group is not totally in agreement on future service area or organizational structure and leadership.

Commissioner Steve Keen suggested all current groups/organizations promoting Eastern North Carolina coalesce as partners and support the planned Prosperity Zones being designated by Department of Commerce.

The regularly scheduled meeting of U.S. 70 Corridor Commission of North Carolina, Inc. met on March 20 at Riverfront Convention Center in New Bern hosted by Craven County Commissioners.

Chairman Robin Comer, in response to several inquiries from U.S. 70 Corridor municipalities, led a discussion on municipal membership requirements. Following lengthy debate, Directors voted to reduce fee for municipal membership from \$ 10,000.00 to \$ 5,000.00. However, the provision that municipal appointments must be approved by 5 member counties remains "as is."

Patrick Flanagan gave us a detailed analysis of SPOT scoring as established by Eastern MPO's/RPO's with a discussion of scoring methodologies and priorities by Joel Strickland and Patrick.

Paul Worley, NCDOT Rail Division Director, gave a presentation on N.C. Rail Study as required by SB 402. A copy of the presentation is available on our website at:

<https://www.super70corridor.com/domain/14>

During public comments agenda, Dr. Brantley Briley, President, Lenoir Community College questioned data released by NCDOT on Kinston "Shallow" Bypass to press. Chairman Comer asked that this info be reviewed, clarified and discussed with President Briley. We have requested follow-up from John Rouse and NCDOT and a revised statement has now been issued by Ted Devens.

On March 27, Lenoir Community College President Briley provided a comprehensive scope of future campus expansion plans in the vicinity of proposed "Shallow" Bypass route which will be reviewed by NCDOT Planning Board.

Marcia Wilson and I have been working with Steven Read, Kimley-Horn and Associates to transfer Super 70 website domain to U.S. 70 Corridor Commission of N.C. Inc. With the assistance of Steve that has been completed and the domain site has been renewed for 5 years.

In a preliminary Feasibility Study of new route New Bern Bypass, the document in the Description of Alternatives section says the "railroad infrastructure improvements have been eliminated from consideration." In some earlier discussions it was suggested the cost of the rail component may penalize the project due to high cost with cost-benefit analysis. Both the Down East RPO and the New Bern Area MPO members have expressed an interest in evaluating the railroad component and providing cost estimate budgets of project with rail. In an email to Corridor Directors representing Craven County, I asked if the request from Down East RPO and New Bern MPO is in agreement with local commissioners and leaders in Craven County. The policy of Corridor Commission is to represent local directors on projects within their jurisdiction. I have not yet received a response and will make no recommendations or suggestions from Corridor Commission until a response is received.

In my February report I cited cause for alarm with chimerical proclivities of Congress to reduce the authority of the Federal Highway Trust Fund to obligate funds in 2015 thus reducing available dollars to zero. Labeled "Year Zero" the Federal Highway Administration has stated this would be devastating. Within the past few weeks, Eastern North Carolina Chambers of Commerce have encouraged all Chambers to join them in a campaign to contact our Congressional delegation and urge their support in contesting this "Zero" plan. I recently forwarded a copy of the Chambers' request to all directors with a suggestion that all of us contact our Congressmen. Thanks to you who made those contacts and please continue the dialogue with your Congressman. It is a non-partisan issue with national implications. Abraham Lincoln said, "With public sentiment, nothing can fail; without it, nothing can succeed."

I am attaching two (2) articles that may be of interest to all who are concerned about infrastructure funding – especially the highway piece.

The articles:

**DRIVING THE NEW ROAD – BUILDING HIGHWAY**

by Scott Mooneyham, Capital Press Association

**OBAMA SEEKS TO UPDATE ROADS**

by Nedra Pickler, Associated Press

Both articles speak to the decline of transportation funding and the absence of a plan to increase funding. Local, Scott Mooneyham, echoes the sentiments of General Overholt and the messages of Governor McCrory and Secretary Tata with the reminder:

“... The new road-building formula is not set in stone.” We can only hope.

As discussions continue on transportation funding, it is our responsibility to speak with our political leaders (State & National) on the need for infrastructure and the best policies to fund those needs.

The gas tax is viewed as a user fee or indirect charge. Tolls are also a user tax via a direct charge. Vehicle Miles Traveled (VMT) now in most discussions is also a user tax and direct charge.

A majority of the comments (verbal and email) that I have received are of the opinion VMT penalizes rural North Carolina.

I read recently there are approximately two (2) million articles, and informational “white papers” published each year with more than half of those articles never read by anyone beyond the author. Certainly I am not so presumptuous as to assume my monthly report is worthy of official publication, but hopefully it is read by more than me. I do frequently receive respondent emails and/or comments which confirms my belief that some of you are actually taking the time to read at least a bit of the data. But the article cited does lead me to wonder who, why and how, is someone counting the two (2) million articles.

I do make every effort to minimize the boredom you must endure to glean through the information that may be of interest or concern to you and hopefully to encourage our membership to react in a positive way to challenges to be met and actions to be pursued.

In addition to actually reading the material, I am hopeful you will continue to provide insights on data you need to assure we make good fact-based decisions as we continue with our agenda and that we are not reluctant to speak-up and reach-out.

We have great partners at DOT and our MPO’s/RPO’s and we are grateful for their co-operation and counsel.

# Driving the new road-building highway

In his first year in office, no one could accuse Gov. Pat McCrory of falling into the do-nothing category.

Few observers, though, would conclude that he has yet demonstrated the kind of political acumen required to see many of his big ideas through to fruition.

One of those ideas is the state's road-building formula.

Last week, the Department of Transportation unveiled some of the changes under the new road-building formula, called the Strategic Mobility Formula. Legislators approved the changes at the behest of the McCrory administration in 2013.

The state agency posted a



Today in North Carolina

**Scott Mooneyham**

priority listing of 1,300 highway projects. Over the next few months, more projects will be added, and local officials and regional DOT engineers will then make their preferences known.

The new formula calls for projects of statewide importance to receive 40 percent of available road-building dollars, with data and not politics driving most of those decisions.

Data also helps determine where the rest of the money goes, but local officials get in-

put too.

The McCrory administration is selling the new road-construction formula by pointing out that the process is open, and that politicians and political appointees are no longer determining projects in a backroom.

The process looks to be a huge improvement over past practices.

Because legislators have signed off, it would appear that the road-building formula is a done deal and a big accomplishment for McCrory.

That may not be the case.

Talking about changes that are theoretical is one thing. Now state legislators get to see the results of the theory.

Road maintenance and some rural projects could lose money under the changes.

And as I noted in a recent column, highway money is shrinking.

With some legislators already expressing some buyer's remorse last fall, the new road-building formula is not set in stone.

How much stays and how much reverts back to form over the next couple of years may reflect as much about McCrory's on-the-job learning as it does about the merit of the formula itself.

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Scott Mooneyham writes a syndicated column for the Capital Press Association.

# Obama seeks to update roads

## Pushes \$300 billion plan to rebuild aging highways and railways

By NEDRA PICKLER  
Associated Press

**ST. PAUL, Minn.** President Barack Obama said Wednesday he will ask Congress for \$300 billion to update aging roads and railways, arguing that the taxpayer investment is a worthy one that will pay dividends by attracting businesses and helping put people to work.

Obama announced his plan at the Union Depot rail and bus station after touring a light rail maintenance facility.

Funding for surface transportation programs expires later this year, and the White House says 700,000 jobs could be at risk unless Congress renews them.

"At a time when companies are

saying they intend to hire more people this year, we need to make that decision easier for them," Obama said, by rebuilding aging transportation systems, power grids, communications networks and other projects that ease commerce.

"The bottom line is there's work to be done, workers ready to do it," he said, adding that one of Congress' major responsibilities is to help states and cities pay for such projects.

### Foxx's fiscal warning

Transportation Secretary Anthony Foxx warned Wednesday of a "transportation cliff" coming in August or September when the Highway Trust Fund, which finances federal highway and transit projects, is forecast to go broke.

The trust fund will need an influx of \$100 billion over the next six years just to maintain transporta-

tion spending levels. But Obama and Congress have been unwilling to raise federal gasoline and diesel fuel taxes that have been the main source of federal transportation funding for decades.

AAA, the automobile association, on Wednesday criticized Washington's refusal to increase fuel taxes to pay for projects.

In the budget he sends Congress next week, Obama will propose that half of the \$302 billion he's seeking come from an overhaul of the corporate tax system.

On Wednesday, Rep. Dave Camp, R-Mich., chairman of the tax-writing House Ways and Means Committee, announced a corporate tax overhaul plan that would dedicate \$126.5 billion in corporate tax revenue to the Highway Trust Fund over the next eight years.

Obama stressed the job-creating power of federal transportation

projects. As part of his promise to take action where Congress won't, he also announced a \$600 million competition for federal grants to help local governments pay for infrastructure projects.

The primary sources of revenue for the Highway Trust Fund are the federal 18.4 cent-per-gallon gasoline and 24.4 cent-per-gallon diesel taxes, which haven't been increased in 20 years.

While highway construction costs have risen over the decades, revenue going into fund has declined. Among the reasons for the decline are that vehicles are getting more miles per gallon and people are driving less on a per capita basis.

The fund experienced its first shortfall in 2008. Since then, Congress has shifted tens of billions of dollars from the general treasury to make up continuing shortfalls.