



US 70 Corridor Commission

DIRECTOR'S REPORT FOR MONTHS OF MAY & JUNE, 2016 M. DURWOOD STEPHENSON, DIRECTOR

The months of May and June were filled with notable events and achievements in concert with our agenda. But before we move forward, it is appropriate to glance briefly back to March to envelop a moment in time that impacts our future and more importantly opportunities for Eastern North Carolina.

During the March 15 Primary Election, a majority of the North Carolina voters approved the \$2 billion Connect NC Bond by a margin of 66% to 34%. A clear signal that the people of North Carolina opt for a future with more and better opportunities and, in my opinion, recognize the importance of agriculture in our State.

Back to the more recent: perhaps already lost in our memory: Our bad weather spring has recently (June 21 by calendar) rolled thunderously into summer with promises of record heat.

In my January & February 2016 report I cited a recent global study on Economic Development and Employment reporting that North Carolina faces the loss of a minimum of 70% of our jobs in the future short term (within 5 years predicted) with the greatest losses predicted for rural North Carolina. In order for us to compete economically, we must provide new jobs through innovation and new technology.

The search for new jobs reminds us of the significance of the Connect NC Bond vote, with major portions of resources from bond funds focused on agriculture. In 1831, Cyrus McCormick first demonstrated a reaper and continued improvements until 1834 when the family established International Harvester Company. Agriculture and Industrial Revolution advocates of the times, suggested the reaper took the place of 40 farm workers. Fortunately, new technologies absorbed the work force as efficiencies and need for farm products escalated. It is a model we must adopt in order to replenish the major job losses predicted within the next five years coupled with the job decline in tobacco production and the loss of textiles in the region.

In a report just over one-year ago, I reported a meeting with NCSU School of Agriculture Dean Richard Linton noting several of the amazing research discoveries in his department: Research and Technology capable of changing the future of agriculture.

M. Durwood Stephenson
Director

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It was a strategy that worked in the past and is possible again, but must be pursued with the same fervor and passion as the pioneers of the Industrial Revolution.

The future is not a far-away destination point, but an evolving target as demographic changes control the here and now and the future: Birthrates are rising in poor countries while declining in more advanced societies; new technologies mandate agile reaction to new opportunities with the courage to abandon old methods and processes. For the first time in 10 years, the United States death rate increased – attributed to a major rise in mortality from Alzheimer's, drug overdose (prescription) and suicides (veterans).

The future of Eastern North Carolina and its economic future is probably determined now by the actions we take in pursuit of opportunity. The world is run by those willing to take the responsibility for running it or the blame for its failure. We decide the role we wish to play.

All of us now reside in a Global World with competitors struggling to seize every potential economic opportunity. Frequently, technologies developed in the United States are "farmed" to off shore manufactures in countries with cheaper labor and by the time the market potentials of the new technology products are realized, jobs and profits they create are lost. It happened with computers, cell phones and solar panels. Historically North Carolina has been a world leader in the supplying of food and other agriculture related products, but must continue to adopt new technologies to maintain that leadership role and expand agricultural opportunities.

Earlier in this report and in a report of more than a year ago, I noted successful research at NCSU in agriculture with great potential for new products, markets and opportunities for rural North Carolina. It is incumbent upon us as leaders in rural North Carolina to pursue diligently every potential opportunity that research is providing.

New Zealand, a major global competitor in agriculture and forestry, is currently advertising in the United States for agriculture workers. The solicitation for U.S. workers says New Zealand has too many jobs with too few workers. One small Town in New Zealand (Kaitangator) promised jobs paying up to \$ 160,000 annually for specialty jobs in agricultural sector. They are now withdrawing those starting salary promises, but remain committed to salaries that far exceeds current farm-related work wages in the U.S. If New Zealand can create high paying jobs through agriculture so can North Carolina. We have the fertile land, experienced workers, and an abundance of new technology.

We must be certain the new technology agriculture products are introduced within our own State and Nation first.

There seems to be a disconnect between research and communication with the agriculture community, a transition and transfer that must be achieved soon. We cannot allow this technology to follow the model of computers and cell phones.

Unfortunately, too many of our farm grown population are abandoning our rural heritage because there is a perception there is no economic future in staying down on the farm. As recent research and new growing technologies are proving, perceptions and loss of a belief in a future in agriculture are wrong, although not yet well communicated to future agricultural entrepreneurs.

Discussions are now in progress on a more effective mass communication dialogue between research and the "field." As advocates for economic opportunity, we cannot be reluctant, but must be bold and aggressive.

The North Carolina Chamber in a joint effort with North Carolina Department of Commerce has established a grant program for rural communities. In the next few weeks, we will explore grant opportunities for our region hopefully by partnering with N.C. Chamber, and Rural Division of N.C. Department of Commerce. More on the grant program in a later report.

On May 27, a major milestone in the U.S. 70 Corridor Commission agenda was celebrated with a Ribbon Cutting ceremony along the 19.6-mile route that loops northeast of Goldsboro and currently identified U.S. 70 Goldsboro Bypass. The \$ 246 million project was completed and is in service years ahead of originally planned schedule, thanks to innovative planning and funding through the special talents and expertise of General Jim Trogdon and Bobby Lewis and the "push" and encouragement of former Wayne County Commissioner, Jack Best, Goldsboro Mayor Chuck Allen and former N.C. Board of Transportation member Leigh Harvey McNairy. The Bypass has been designated as a Future Interstate with signs designating Future Interstate already posted.

Governor McCrory and NCDOT Secretary Nick Tennyson dedicated the new Freeway and Future Interstate in time for the Memorial Holiday weekend. My emails continued for several days citing time savings from 15 to 20 minutes enroute to our coast with comments on the beauty of the landscape along the route. Many also noted the sighting of the Future Interstate sign.

NCDOT following discussions among state officials and members of the public recommended **I-36**. In making the recommendation, Kevin Lacy, NCDOT Traffic Engineer argued **36** is one of a few two-digit numbers not currently in use for US or NC routes in North Carolina. However, the final decision is made by the **American Association of State Highway and Transportation Officials (AASHTO)**. In a May meeting in Des Moines, Iowa, AASHTO, denied NCDOT's recommendation and chose **I-42** which does conflict with **NC 42**, an area NC route lying within close proximity of proposed **I-42**.

For now, I suggest we accept the good news of a number assigned, although not our first choice, and deal with conflicting **42**; when and if issues arise in the future.

On June 2, NC Board of Transportation U.S. 70 Workgroup met at Highway Building in Raleigh where Rob Hanson and his staff provided a detailed status report for all U.S. 70 major projects along the U.S. 70 Corridor from Johnston County to our port at Morehead City. A copy of that report is available upon request or it may be viewed on our website.

A highlight and significant presentation at this discussion was offered by Retired Colonel and current Havelock City manager, Frank Bottorff. He reminded us of the importance and interest of the military in transportation now centered on Havelock Bypass. Colonel Bottorff detailed the contribution and impact of Cherry Point, a strategic asset to our Nation and especially to Eastern North Carolina. Cherry Point has a \$ 2 billion annual economic impact with average salaries exceeding \$ 60,000.00 annually – far above area pay scales; employing more than 35,000 people – military and civilian. From another perspective Colonel Bottorff reminded us of the process of BRAC and criteria that is reviewed in evaluating if a base closes, expands or remains intact. Conditions and perspectives are measured 20 years into the future and include: Transportation – safety and congestion; Quality of Life for families in base geographic area; and educational opportunities, among other factors.

I am attaching an informative article on Cherry Point's future written by Drew C. Wilson and published in Halifax Media Services courtesy of Commission Director, Jesse Vinson.

The Panama Canal officially opened Sunday, June 26 marking the first expansion of the facility since the canal began operations in 1914. East Coast and Gulf Coast Ports states have been touting the great opportunities the expanded port can provide. The South Carolina Ports Authority has approved \$ 1.6 billion spending program to enhance their ports and plan to dredge the Charleston Port to a depth of 52 feet making it the deepest harbor on the East Coast. Area towns are also speculating on the promise of expanded Canal by investing in "shell" building. The American Association of Port Authorities recently reported that its East and Gulf Coast partners and their private-sector affiliates will spend approximately \$ 155 billion on port-related infrastructure over the next five years up from a projected spending budget of \$ 46 billion in 2010.

As states, towns, ports and private-sector investors plan ahead, diligence and caution must be the order of the day: As noted in my March and April report, shallow water in the canal has forced operators to minimize ship sizes and despite predictions by Port consultants of a 10% increase in container traffic deferred from West Coast Ports, historically, trends have indicated carriers are reluctant to change primary use ports. Additionally, West Coast Ports have commenced a restoration and improvement plan to maintain present volumes. Our NC Port leadership is cautiously funding improvements in anticipation of additional cargo, but are cautiously prudent in their spending plans.

The largest container ship to visit the port at Wilmington served the updated report in June amid predictions that many more post Panamax vessels will serve the port. The 984-foot Hanjin Baltimore cargo ship holds 7,500 containers that measure 20 feet in length and eight feet tall. Water depths noted above in this report are limiting even larger container ships that will with time and deeper water serve East Coast and Gulf Coast ports. (Photo of Hanjin Baltimore Cargo Ship Attached).

This report has been a varied, shifting discourse on many topics, ideas, suggestions, planning and hopes for the future; a bit spacey, shifting from spring to summer and leaping from topic to topic without appropriate transition. It is an attempt to accentuate the balance and partnership between commerce and transportation.

I close this report with too many important reminders not reminded and without proper rebukes for those that continue to discredit our region as insignificant and without a promising future.

Impermissible can quickly become acceptable if allowed to persist. People decide what's acceptable not as much by their personal feelings, but more what people are doing. Urban grows, rural shrinks. It has become an acceptable trend, but together we are making progress with an agenda to minimize shrinking. Our transportation agenda has been more successful than most, even among the transportation professionals, believed. Initially none believed U.S. 70 could become an Interstate, but it is on the right path, although admittedly miles to go before we earn the sign without the FUTURE pretext.

We are losing key members of our team: Rob Hanson, a partner and strong enabler in our quest, will be retiring from NCDOT on July 29 after 30 years. Charles Cox, Project Manager for many of our key projects is also retiring this month. As the key proponent for the James City project, we must not allow the project to "stall" and make certain the guidance this far by Charles continues forward.

For those of you interested in emailing your appreciation, they may be contacted as follows:

Rob Hanson - rtlchanson@icloud.com

Charles Cox - ccox@ncdot.gov

See you at the Beach on August 8.



Durwood Stephenson <durwoodus70@gmail.com>

Future of Cherry Point

1 message

Jesse Vinson <jvinson@ec.rr.com>

Thu, Feb 11, 2016 at 2:34 PM

To: Durwood Stephenson <durwoodus70@gmail.com>

Good afternoon Sir

Don't know if you may have already read this; if not, it's a good summary on Cherry Point.

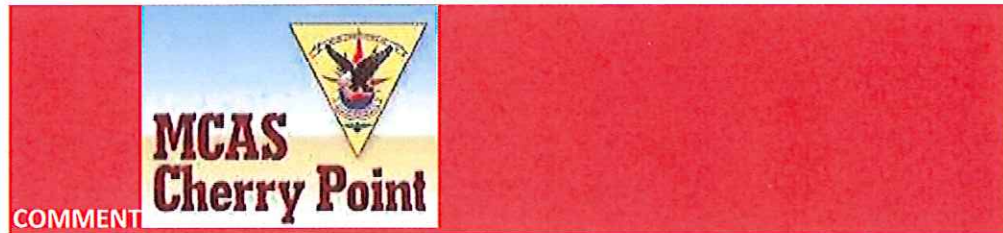
Interstate to the Port becomes even more significant!

Thanks

Jesse Vinson

 Aviation plan spells out Cherry Point's Future.pdf
58K

- **Aviation plan spells out Cherry Point's future**



- **By Drew C. Wilson, Halifax Media Services**

Posted Feb. 4, 2016 at 11:00 AM

CHERRY POINT

Cherry Point will continue playing a vital role in the service of the nation in the coming years, according to the recently released 2016 Marine Aviation Plan.

An expanding role of unmanned aerial systems and the possibility of an additional training squadron are highlighted in the plan, which outlays the aviation goals of the Corps for the next decade.

The 2016 Marine Aviation Plan indicates that the Marine Corps is exploring expansion of the F-5 training program, which could mean additional aircraft for Cherry Point, along with Marine Corps air stations Beaufort, S.C., Yuma, Ariz., and Miramar, Calif. The program allows for pilots to train for air-to-air combat situations.

The Marine Composite Training Squadron concept calls for six F-5 training jets and six turboprop training aircraft at Cherry Point. The number of aircraft would be tailored to training requirements and future study may affect the numbers and the types of aircraft in the units.

"As the F-35 footprint grows, so will the demand and need for adversary training," said Maj. Clark Carpenter, public affairs officer at the Pentagon. "The F-5 fills this critical role by simulating adversary aircraft in a training environment.

"The Marine Corps does not yet have an estimate on the number of F-5 aircraft or the increase in personnel that would be necessary to support an adversary

element in Cherry Point,” he said. “This information is dependent on F-35 transition timelines. We continue to plan for this critical move to ensure our aviation element remains ready to support our role as America’s premier expeditionary force in readiness.”

There is a steady increase in operations for Marine Unmanned Aerial Squadron 2 at Cherry Point, under the plan. The RQ-7 Shadow platform will be phased out by the end of 2016 as the MQ-21 Blackjack is used in greater numbers through 2024. The unmanned aerial vehicle reserve component, VMUT Fleet Replacement Detachment currently at Cherry Point, will become a fully operational Fleet Replacement Squadron for the MQ-21 Blackjack, according to the plan.

Unmanned aerial systems will also play a larger role in electronic warfare in the future. According to the plan, the Marines have played a large role in ground-based sense and avoid systems for unmanned aerial systems, and Cherry Point had the first certified system of this type.

The Marine Joint Strike Fighter Squadron geo-location chart continues to indicate 94 aircraft for Cherry Point, including four squadrons of 16 aircraft, two squadrons of 10 aircraft and one reserve squadron of 10 aircraft. The plan is from the 2010 Basing Record of Decision resulting from two Marine Corps Joint Strike Fighter environmental impact studies, though an asterisked note at the bottom of the page states “basing plans are subject to change and further environmental analysis.”

The schedule for the transition of Cherry Point’s AV-8B Harrier squadrons to F-35Bs remains in place. According to the plan, Marine Fighter Attack Squadron 223 will be the first Cherry Point squadron to transition in 2023 and 2024, followed by VMA-542 in mid-2023 to mid-2025, both squadrons having 16 planes each.

- Then, Marine All Weather Fighter Attack Squadron 533, which now is an F/A-18 squadron based at MCAS Beaufort, will transition to F-35B and move to Cherry Point in late 2024 to late 2026, with 16 planes.

Marine Fighter Attack Squadron 231 at Cherry Point will transition from Harriers to F-35Bs from mid-2026 to mid-2028, with 16 planes.

Simultaneously, another MCAS Beaufort-based F/A-18 squadron, VMFA-115, will move to transition to F-35Cs from mid-2026 to mid-2028, with 10 planes.

Some 18 months later, at the beginning of 2028 through the end of 2029, Marine All Weather Fighter Attack Squadron 242 will leave MCAS Iwakuni in Japan and transition to F-35Bs at Cherry Point with 10 planes.

The seventh JSF squadron for Cherry Point would be Marine All Weather Fighter Attack Squadron 112, a reserve squadron from MCAS Eagle Mountain Lake at Fort Worth, Texas, from 2031 to 2032 with 10 planes.

According to the plan, all Harrier squadrons on the East Coast will be consolidated at Cherry Point by the year 2021 and will continue service until VMA-231 transitions to F-35Bs by the middle of 2028.

The deactivation for Cherry Point's four electronic warfare squadrons of EA-6B Prowlers is still the same, with VMAQT-1 standing down this year, VMAQ-4 standing down in 2017, VMAQ-3 standing down in 2018 and VMAQ-2 ending service in 2019.

The 2016 plan calls for no changes through 2026 in Marine Aerial Refueler Transport Squadron 252, which has a fleet of 15 KC-130Js at Cherry Point.

At New River, a new MV-22 Squadron Marine Medium Tiltrotor Squadron 212 will begin standing up in 2019 and be ready in 2020.

