# DIRECTOR'S REPORT FOR MONTHS OF AUGUST/SEPTEMBER, 2014 M. DURWOOD STEPHENSON, DIRECTOR

I have taken the liberty of merging reports for August and September into a single report. The decision to merge the two month report was a combination of a purposeful decision: frankly the news from August was more disconcerting than I had hoped with better news emerging from September; the other half of the decision was forced upon me by time: a total commitment to an all-out effort to search, seek and secure better hope for our tomorrows consumed every waking moment. I apologize to our Congressional delegation and their staff for my incessant pleading, but to their credit; they were all courteous, professional, cooperative and supportive.

Despite the humidity and thermometer still surpassing 90, summer has receded and we are racing toward autumn and the final stages of 2014. For those of us of mature years the year has sped past. It's been a particularly eventful year with new challenges, higher mountains to climb and mounting evidence of the necessity of continuing our agenda.

According to 2012 U.S. Census report, the number of Americans who lived in urban areas rose from 79 percent in 2010 to 80.7 percent in 2012. The trend is more obviously escalating faster in North Carolina.

The thesis of two North Carolinas, rural versus urban, the haves and have nots have become common place observations in discussions on Eastern N.C. The arguments are now blasé and no longer seem to stir action or revolt for change.

As the economic recovery continues to improve nationally, North Carolina is lauded as a leader in the recovery. However, since the demise of tobacco and textiles in the East, economic prosperity has eluded our region and, unfortunately was a leader in the scarred path of economic decline and the exodus of population, particularly the young and best educated.

The question now for Eastern N.C. leaders is how to access the prosperity. It is the belief and agenda of the U.S. 70 Corridor Commission members that the answer starts with better infrastructure, specifically better regional transportation. Ultimately it will take all that and more to assure a rebirth of our region.

On the transportation "front", 2014 has been a year of evolution and perhaps may more appropriately be labeled as a year of revolution. Generally evolution is defined as gradual change or the natural rhythm of change. Revolution is a complete cycle of events trending to radical changes which most often is forced change. The rhythmic change of evolution often lulls us into complacency while revolution always creates collateral damage forcing reaction.

Despite the challenges of a new funding formula that does not favor rural North Carolina, there is positive economic news at our ports.

As supporters and advocates for all things positive, supporting commerce in Eastern North Carolina, the good news at our ports is the expansion of wood pellet exports. However the industry is now under siege by a coalition of environmental groups. A recent article in the August issue of BUSINESS NORTH CAROLINA details the good news of wood pellet exports: \$ 112 million investment in two plants with plans for an additional \$ 60 million processing plant fed by other facilities in Ahoskie, Garysburg, and Scotland County. In an effort to sustain the growing biomass industry, additional wood pellet processing facilities are being planned in Wilson, Sampson and Richmond Counties.

Dogwood alliance has teamed with North Carolina Coastal Foundation and Southern Environmental Law Center to oppose the forest-products industry's expansion into wood pellet production and exports.

The residents of Eastern North Carolina are good stewards of our natural resources, but in the famous words of Ralph Waldo Emerson, "Everything in moderation." Forest products are a renewable sustainable resource. A recent study by UNC Chapel Hill's Kenan Institute of Private Enterprise concluded that Eastern North Carolina has sufficient "sustainable forest capacity" to meet expanded demand.

Like so many of our battles in Eastern North Carolina, we must continue to challenge those who oppose economic opportunity in our region. WE SHOULD ENGAGE THE EFFORT AND RESOURCES OF NC Build to join us in combating opposition while continuing a persistent chorus of support.

North Carolina once touted as the "Good Roads State" now shares a commonality with the rest of America as investments in our roads and bridges crumble. In rural North Carolina the roads and highways built decades ago are now carrying 10 to 20 times the traffic originally anticipated - again a common issue with our sister states and communities. Time, neglect and escalating demand to meet the needs of added traffic and a continuing decline of transportation revenues has created pejorativic conditions for transportation improvements.

In the late 1950's, President Eisenhower and Congress passed the Federal-Aid Highway Act linking rural and urban areas primarily through the Interstate System to spur economic growth throughout the Nation in all regions. For the next 40+ years government investments in

highway construction and maintenance averaged well above 2 percent of gross domestic spending. In 2012, it fell to a 20-year low of 1.5 percent. In contrast, China spends 7 percent of its GDP on infrastructure and India spends 5 percent. The road and transportation infrastructure system once considered the best in the world now ranks 14<sup>TH</sup> globally. As users of transportation facilities, we must convince our elected leaders of the importance and support for transportation investments.

As noted in July report, Congress once again failed to address transportation funding, choosing rather to continue to "kick the can down the road" by passing feckless temporary funding authorization that is woefully inadequate.

Bills introduced by Congressman Butterfield and Senators Hagan and Burr designates parts of U.S. 17 and 64 as future interstates. The legislation is strongly supported and endorsed by the leaders and citizens of Eastern North Carolina. After voicing support, many of the members of U.S. 70 Corridor Commission began a campaign of emails and conversations asking, "When is this going to happen for US 117/795 and U.S. 70?" More on the issue later in this report.

NCDOT scheduled two Public Meetings during month of August to discuss and answer questions about a planned U.S. 70 Kinston Bypass. A bypass of Kinston has been considered, reviewed and analyzed for more than 25 years. Recent proposals for a revised "Shallow Bypass" appears to have gained local support and is considered to be the favorite to eventually be selected as the preferred route.

The Wayne County Transportation Committee chaired by County Commissioner, Joe Daughtery met on August 21. The U.S. Highway 117/795 Economic Impact Study was released. A major part of the agenda coinciding with the group and its allies in Duplin and Sampson Counties rallied for inclusion in previous legislation as future interstate status. North Carolina Department of Transportation Chief Deputy, Nick Tennyson provided a current status of new funding formulas and a brief overview of the department.

Marc Finlayson, Executive Director, Highway 17 Association shared a detailed analysis of impact and project scoring concerns of new STIP formula. It is a well-reasoned, factual presentation of a "not-so-rosy" future for transportation in rural North Carolina. It is also an excellent "White Paper" to review with our elected leaders, RPO's and MPO's as we attempt to make our case for improved regional transportation infrastructure investment to promote economic opportunity in rural North Carolina.

Noted author, Robert Louis Stevenson wrote, "Life is not a matter of holding good cards, but of playing a poor hand well."

As evidenced by Marc's analysis and the frequent scoring updates from our RPO's/MPO's, we are not holding a great hand: we must play it well and intelligently and hope for a better hand at next round.

On June 11 of this year, a group was convened in New Bern to discuss Preliminary Feasibility Report for new route New Bern Bypass. In earlier discussions, the feasibility of including a rail relocation component and its impact on project costs was evaluated. At the suggestion of Craven County Commissioner Tom Mark and County Manager, Jack Veit III a group was assembled including Craven County and City of New Bern elected leaders; area citizens; Board of Transportation Member, Hugh Overholt; NCDOT decision-role personnel; U.S. 70 Corridor Commission Directors; U.S. 17 Highway Commission and new-to-the-discussion Scott Saylor, President of NCRR and his staff and James B. Harris, State Railroad Coordination Engineer and staff. In an open frank discussion, the consensus of opinion leaned toward excluding the rail component from this proposed project. On August 19, Lynnise Hawes, Feasibility Studies Engineer released for comments a revised draft document removing the rail component from the document. Ms. Hawes requested comments on the revised document by September 19. There are several rail constituents that continue to support including the parallel rail to a proposed new route U.S. 70 Bypass of New Bern. NCDOT and area leaders will continue discussions and consideration. (See attached EXHIBIT A, page 10 of FS-1202B FEASABILITY STUDY DOCUMENT for project study conclusion)

On September 3, Rob Hanson and subcommittee Chair, Gus Tulloss convened the North Carolina Board of Transportation U.S. 70 Workgroup at Highway Building in Raleigh. The U.S. 70 Corridor Commission was well-represented. To those of you who took the time to make the trip, I am grateful. Your interest and participation is important in sending a strong message of support and concern.

Rob and his staff provided updates, current status and next activities of work plan.

Several items are worthy of note:

- U.S. 70 Kinston Bypass (NCDOT STIP No. R-2553)
- Project consultant URS currently preparing engineering & environmental studies.
- There are 12 Detailed Study Alternatives (DSHS), including upgrading the existing U.S. 70, currently under consideration.
- Goldsboro Bypass scheduled for completion April 2016
- James City highest ranking project in Division 2 engaged a project consultant to start-over with new design concepts. Social Justice continues to be an issue.
- U.S. 70 Improvements at Wilson's Mills best opportunity for funding at Division Level. NEPA/404 merger team meeting (Concurrence Point 2A) early 2015.
- U.S. 70 Improvements at Pine Level fully funded. ROW acquisition in process. Construction start February, 2015.
- Slocum Gate Improvements. ROW acquisition begins March, 2015.
- US 117/795 (Future I-795) Final feasibility report, spring 2015.
- SW Greenville Bypass. RFP for Design-Build. Project let scheduled for spring, 2015.

The highlight of the meeting was a presentation on Havelock Bypass by Ted Devens, NCDOT Project Manager and Paul Cook, Project Consultant, Stantec Engineering. As we all are aware this project has a long history dating back to May 14, 1993. It is a project of great significance and importance to military and area citizens. Environmental issues have played a major role in its slow movement forward. The presentation was insightful and informative, but the most dynamic and compelling arguments for escalating the project schedule was provided by Ted Devens:

- No Build 10 miles Travel time 60 minutes
- Build 10 miles Travel time 9 minutes COMPELLING!

The next meeting of NC Board of Transportation U.S. 70 Workgroup will be January 7, 2015.

On September 18, U.S. 70 Corridor Commission met for regularly scheduled meeting at Lane Tree Country Club in Goldsboro. The meeting was well attended amidst the excitement generated by Governor McCrory's announcement on Wednesday of a plan to borrow more than \$ 1 billion for transportation improvements and hope for a future Interstate designation in Eastern North Carolina.

In July and August, Congressman Butterfield sponsored House Bill 4829 to designate portions of routes US 64 and US 17 as future Interstate highways. The leadership of Eastern North Carolina including the members, Directors and area citizens were disappointed US 117/795 nor U.S. 70 were included in the legislation. Aided by calls, letters and numerous municipal and organizational groups sponsoring support Resolutions, we began our campaign to garner support for these additional two projects. In order to convey the importance of the designation and the passion for new or amended legislation, I requested that our Congressional delegation have a representative staff member at our Corridor Commission meeting on the 18<sup>TH</sup>. Ray Rogers, representing Congressman G.K. Butterfield; Alice McCall, representing Congressman George Holding; Kara Spencer, representing Congressman McIntyre; and Lee Slade, representing Senator Kay Hagan attended and participated in discussions on future Interstate designation legislation. The sincerity and passion on display and the presence of Congressional staff proved to be a winning combination.

Congress prepared for recess later in the day while frantic telephone conversations and email exchanges focused on new legislation designating US 117/795 and U.S. 70 as future Interstates. By 6:00 PM on the 18<sup>TH</sup> just minutes before the Congressional recess, HR 5561 was introduced by Congressman G.K. Butterfield and co-sponsored by Congressman Walter Jones. Kris Denzel, Senior Legislative Assistant, Congressman Holding had previously started discussions with FHWA requesting draft legislation for Interstate designation for US 117/795. Congressman Holding and Congressman McIntyre have subsequently joined as co-sponsors of HR 5561 identified as "Military Corridor Transportation Improvement Act of 2014." (Copy Attached).

Senator Hagan has agreed to sponsor companion bill in November session. Shaniqua McClendon, Legislative Aide advised the legislation to be introduced by Senator Hagan will duplicate both the title and provisions of HR 5561. The importance of the military in the region (\$ 48 Billion annual economic impact; approx. 540,000 jobs; 7 military bases) and the importance of regional transportation for military is identified as aptly noted in legislation title. Dennis Sills, Senior Legislative Assistant, Congressman Butterfield was the author of HR 5561 and showed great wisdom in titling this bill. In the 1950's, President Eisenhower initiated the Interstate program citing its importance to military and the impact on commerce.

Although I have not had an opportunity to speak personally with Senator Burr as I have with most of the other Congressional participants in this effort, I have had co-operative ongoing dialogue with Matthew Dockham, Legislative Assistant of Transportation for Senator Burr. It is my strong belief based on those conversations that Senator Burr will join Senator Hagan in November to co-sponsor legislation mirroring HR 5561.

In a news conference announcing the \$ 1 Billion Transportation Board proposal, Governor McCrory said U.S. 70 through the heart of Eastern North Carolinas should be improved to Interstate standards. On Friday, September 19 DOT Secretary Tata released a statement: "A key element of the Governor's 25-year vision is recognition that transportation systems can stimulate the economy by building infrastructure to attract business and create or provide access to jobs. Accordingly, we are looking at projects that will help connect rural areas to jobs, healthcare, and education centers." Secretary Tata released a list of 21 projects as potential candidates for bond funding as follows:

N.C. 125, Martin County U.S. 158, Northampton County N.C. 43 connector, Craven County N.C. 24, Sampson, Duplin counties N.C. 42, Johnston County Booker Dairy road, Johnston County	\$13.4 million \$62 million \$11.4 million \$154.9 million \$20.3 million \$9.4 million
Hunter Hill Road, Nash County	\$7.8 million
U.S. 401, Franklin and Wake counties	\$32.7 million \$65.6 million
Fayetteville Outer Loop,	
Cumberland and Robeson counties	\$186.4 million
U.S. 311, Guilford County	\$16.1 million
N.C. 119, Alamance County	\$103.8 million
U.S. 220, Richmond County	\$128.3 million
Winston-Salem loop,	
Forsyth County	\$266.5 million
Derita Road, Cabarus County	\$12.4 million
U.S. 221, Ashe County	\$76.1 million
U.S. 74 Shelby Bypass,	
Cleveland County	\$179.7 million
N.C. 16, Catawba County	\$55.5 million
N.C. 273, Gaston County	\$21 million
U.S. 221, McDowell County	\$42.2 million
N.C. 107, Jackson County	\$19.7 million

In an editorial in September 28 edition of News & Observer, Governor McCrory's new transportation plan is touted but with caution: "Governor McCrory has offered a sweeping plan for transportation, but first he'll need to sell it." As advocates for more comprehensive transportation improvements in our region, we have an obligation to aggressively promote the Governor's transportation bond fund. As noted earlier in this report, the month of September came with good news for rural Eastern North Carolina's transportation agenda.

HR 5561 with the promise of two additional Interstate gives hope for today and a goal for the future. The mental lift should be a source of considerable encouragement. The Governor's \$ 1 billion transportation bond announcement with several near "shovel-ready" rural projects noted as candidates for funding is also a cause for hope.

<u>BUT</u> neither can be taken for granted. We must continue to maintain dialogue with our Congressional delegation to assure House and Senate approval of the legislation and we must explore every opportunity to aid NCDOT in meeting the 25-year window to improve to Interstate standards.

Nor can we assume the General Assembly or the voting public will approve the Governor's bond plan. I have had numerous opportunities to discuss the plan with sitting General Assembly members and was, frankly, surprised at the plethora of expressed sentiments; from passionate endorsement to lukewarm support spiraling to down right opposition. Support can only be generated by local citizens expressing strong support to your respective legislator. We must stay the course.

Although the dual events of September gives us new excitement for the future, we cannot abandon the challenge of the new STI funding formula. We must continue to work with our Division Engineer and RPO/MPO's leaders to maximize points for qualifying projects. Presentations by the following RPO/MPO leaders at Corridor Commission of September 18 reminded us that although rural projects vying for funding are too few, there are a few possible if appropriately classified:

Alex Rickard — Capital Area MPO
James Salmons — Upper Coastal Plain RPO
Jennifer Collins — Goldsboro MPO
Rob Will — Eastern Coalition RPO
Maurizia Chapman — New Bern MPO
Lauren Tuttle — Down East RPO

Each noted their top 5 ranked projects in each category. We are grateful for their diligence and persistence in maximizing scoring in concert with our Division Engineers.

It is at times like this that we must realize how much the future occupies the present. Our effort, actions and achievements today will determine our future. Keep pressing.

The next schedule meeting of the Corridor Commission is scheduled for December 4 – 2:00 PM at MDS Center, 206 Skyland Drive, Smithfield. Agenda alerts: 1. Election of officers 2. Schedule of regular meetings (Suggested future meetings be scheduled on 2<sup>ND</sup> Thursday of each quarter in lieu of third Thursday).

Thanks for your continued support and effort.

The End.

### 5.0 Other Alternatives Considered

Alternative 1 is an initial alternative considered to extend mostly on new location to provide the most direct route to join the Havelock Bypass west of existing US 70. Alternative 1 is estimated to cost eight percent more than Alternative 2. It relocates nearly one-third of the number of residences as Alternative 2 but no businesses. It has five (5) interchanges and includes bridges over major roadways, river, and stream crossings. Approximately 80 percent of its length is on new location. The Alternative 1 highway corridor crosses seven (7) rivers or streams, 386 acres of wetlands, and 189 acres of Croatan National Forest lands.

Alternative 1 has the highest cost, requires the most construction on new location, and crosses the largest amount of wetlands and Croatan National Forest land. The east end of Alternative 1 would cross a large portion of the land within the Croatan National Forest and would bisect a recently approved Weyerhaeuser Mitigation Bank. It would also cross foraging habitat for several Red Cockaded Woodpecker colonies near its connection with the Havelock Bypass. For these reasons Alternative 1 has been eliminated from further consideration.

An intermediate connection with US 70 was considered between Riverdale Road (SR 1108) and Stately Pines Road (SR 1106) to avoid crossing sizeable portions of the National Forest and other environmental resources. Such a connection would be in close proximity to the proposed Stately Pines Road (SR 1106) interchange, would cross Croatan National Forest land west of US 70, and affect additional residential development. This intermediate connection with US 70 is not an advantageous location and was not considered in detail in the feasibility study.

A parallel corridor was considered for potential railroad use. This was in response to a community interest in an option to route railroad traffic around downtown New Bern. Also, members of the Down East Rural Planning Organization (RPO) and the New Bern Area Metropolitan Planning Organization (MPO) expressed interest in evaluating a multimodal transportation corridor around New Bern. A 200-foot wide corridor was considered adjacent to the US 70 Bypass alternatives, extending to the NCRR EC-line at each end of the study area. A railroad corridor adjacent to the US 70 Bypass study area would not address existing railroad operating needs. A relatively low volume of daily freight trains use the NCRR corridor in the study area. The US 70 Bypass study area is too far west to serve the NCRR's New Bern rail yard and the NS line between New Bern and Chocowinity. It would not readily access industries requiring rail service. In addition, railroad crossings of a quarry near Clarks Road and of US 70 would present problematic constructability issues.

Representatives from NCRR, Craven County, River Bend, the RPO, and NCDOT met on June 11, 2014 to discuss rail considerations in this feasibility study. Rail representatives described current railroad operating conditions in the area and believe that the needs for the US 70 corridor and the railroad corridor should be considered independently of each other and not limited to the same corridor. RPO and MPO representatives are interested in a comprehensive rail study that would help in submitting requests for prioritizing rail projects. The Mayor of River Bend is interested in a long-term vision for improving a rail system to the State Port in Morehead City. Outcomes of this meeting were to remove the rail corridor from further consideration in the US 70 Bypass feasibility study and to explore ways to initiate a comprehensive rail study for the New Bern area.



113TH CONGRESS 2D SESSION

## H. R. 5561

To amend the Intermodal Surface Transportation Efficiency Act of 1991 to designate high priority corridors on the National Highway System in the State of North Carolina, and for other purposes.

#### IN THE HOUSE OF REPRESENTATIVES

**SEPTEMBER 18, 2014** 

Mr. Butterfield (for himself and Mr. Jones) introduced the following bill; which was referred to the Committee on Transportation and Infrastructure

## A BILL

To amend the Intermodal Surface Transportation Efficiency Act of 1991 to designate high priority corridors on the National Highway System in the State of North Carolina, and for other purposes.

- 1 Be it enacted by the Senate and House of Representa-
- 2 tives of the United States of America in Congress assembled,
- 3 SECTION 1. SHORT TITLE.
- 4 This Act may be cited as the "Military Corridor
- 5 Transportation Improvement Act of 2014".

1	SEC. 2.	HIGH	PRIORITY	CORRIDORS	ON	NATIONAL	HIGH-
2		,	WAY SYSTE	M.			

- 3 (a) IN GENERAL.—Section 1105(c) of the Intermodal
- 4 Surface Transportation Efficiency Act of 1991 (105 Stat.
- 5 2032) is amended by adding at the end the following:
- 6 "(81) United States Route 117/Interstate
- 7 Route 795 from United States Route 70 in Golds-
- 8 boro, Wayne County, North Carolina, to Interstate
- 9 Route 40 west of Faison, Sampson County, North
- 10 Carolina.
- 11 "(82) United States Route 70 from its intersec-
- tion with Interstate Route 40 in Garner, Wake
- 13 County, North Carolina, to the Port at Morehead
- 14 City, Carteret County, North Carolina.".
- 15 (b) Inclusion of Certain Route Segments on
- 16 Interstate System.—Section 1105(c)(5)(A) of the
- 17 Intermodal Surface Transportation Efficiency Act of 1991
- 18 (105 Stat. 2031; 109 Stat. 597; 115 Stat. 872; 118 Stat.
- 19 293; 126 Stat. 426) is amended in the first sentence by
- 20 striking "and subsection (e)(57)" and inserting "sub-
- 21 section (e)(57), subsection (e)(81), and subsection
- 22 (e)(82)".