

NORTH CAROLINA

JOHNSTON COUNTY

The Highway 70 Corridor Commission of North Carolina, Inc. met on Thursday, December 3, 2015 at 1:30 p.m. at the MDS Center, 206 Skyland Drive, Smithfield, North Carolina.

County members present:

Carteret County – Jesse Vinson and David Whitlow
Craven County – Don Baumgardner, Bobby Darden, Tom Mark, Jack B. Veit and Danny Walsh
Johnston County – Ted Godwin and Frank Price and Donald B. Rains
Jones County – None
Lenoir County – Mark Pope and Linda Rouse Sutton
Wayne County – Jack Best, Chris Boyette, Joe Daughtery and Bill Pate

Other persons present:

North Carolina Board of Transportation – Gus Tulloss
Highway 70 Corridor Commission Director – M. Durwood Stephenson
Senator Richard Burr’s Office – Janet Bradbury
Congressman David Rouzer’s Office – Dwight Williams
North Carolina Department of Transportation – Shelley Blake, Jeff Cabaniss, Haywood Daughtry, Rob Hanson, Jiles Harrell, Bobby Lewis, Tim Little, John Rouse and Brian Yamamoto
North Carolina State Ports Authority – Stephanie Ayers
Down East RPO – Patrick Flanagan
Eastern Carolina RPO – Lauren Tuttle
Havelock – Karen Lewis and Katrina Marshall
Johnson County – Berry Gray
New Bern Area MPO – Maurizia Chapman and Kim Maxey
North Carolina Rural Center – Patrick Woodie, Barry Ryan and Jason Gray
Upper Coastal Plains RPO – James Salmons
Atkins North America – Major General James H. Trogdon, III
Wayne County – Marcia R. Wilson
Citizens – Bill Price and Lanny Thomas

Invocation

Prior to the meeting, Town of Four Oaks Mayor Jimmy Boykin gave the invocation.

Call to Order and Welcome

Highway 70 Corridor Commission Chairman Ted Godwin called the meeting to order and welcomed everyone to the meeting. Everyone present introduced themselves.

Highway 70 Corridor Commission Chairman Ted Godwin thanked Highway 70 Corridor Commission Director M. Durwood Stephenson, his family and staff for their efforts in hosting the meetings of the Highway 70 Corridor Commission and their work during the year. He also thanked Marcia R. Wilson for her work for the Highway 70 Corridor Commission.

Approval of the Agenda

Upon motion of Lenoir County Member Linda Rouse Sutton and seconded by Wayne County Member Jack Best, the members of the Highway 70 Corridor Commission unanimously approved the agenda as presented.

Approval of Minutes

Upon motion of Wayne County Member Joe Daughtery and seconded by Highway 70 Corridor Commission Vice-Chairman Tom Mark, the members of the Highway 70 Corridor Commission unanimously approved the minutes of the meeting on September 17, 2015.

North Carolina Board of Transportation Member Reports

North Carolina Board of Transportation Member Gus Tulloss congratulated Wayne County Members Joe Daughtery and Bill Pate for being elected Chairman and Vice-Chairman of the Wayne County Board of Commissioners.

The North Carolina General Assembly authorized the North Carolina Department of Transportation retain \$261 million in its fund, rather than transferring these funds to the General Fund. There are a lot of new transportation projects in the future.

North Carolina Board of Transportation Member Gus Tulloss congratulated North Carolina Department of Transportation Division 2 Engineer John Rouse on the award he received at the North Carolina Board of Transportation meeting.

Federal Transportation Legislation

Dwight Williams, District Director for Congressman David Rouzer, stated the Fixing America's Surface Transportation (FAST) Act is five-year legislation to improve the nation's surface transportation infrastructure, including our roads, bridges, transit systems and rail transportation network. The bill reforms and strengthens transportation programs, refocuses on national priorities, provides long-term certainty and more flexibility for states and local governments, streamlines project approval processes and maintains a strong commitment to safety. The legislation facilitates commerce and the movement of goods by refocusing existing funding for a National Highway Freight Program and a Nationally Significant Freight and Highway Projects Program. It also expands funding available for bridges off the National Highway System. FAST streamlines the environmental review and permitting process to accelerate project approvals. The bill provides robust reforms for Amtrak, including reorganizing the way Amtrak operates into business lines; gives states greater control over their routes, by creating a state-supported route committee; speeds up the environmental review

process for rail projects and creates opportunities for the private sector through station and right-of-way development. Total funding for the bill is \$300 billion.

Dwight Williams, District Director for Congressman David Rouzer, stated the Fixing America's Surface Transportation (FAST) Act designates the following North Carolina highways as high priority corridors and future interstates:

- Raleigh-Norfolk corridor from Raleigh, through Rocky Mount, Williamston and Elizabeth City to Norfolk, Virginia
- US Highway 70 from its intersection from Interstate 40 in Garner to the Port at Morehead City and US Highway 117/Interstate 795 from US Highway 70 in Goldsboro to Interstate 40 west of Faison

The designation of the highways would advance the North Carolina Department of Transportation's Strategic Transportation Corridors Vision, which aims to provide North Carolina with a network of high priority corridors that will become part of the interstate system once they are fully built and upgraded to interstate standards.

Dwight Williams, District Director for Congressman David Rouzer, stated the Fixing America's Surface Transportation (FAST) Act is expected to pass the House and Senate and the President will sign the bill next week.

Janet Bradbury, Field Representative for Senator Richard Burr, stated the Senate will vote on the Fixing America's Surface Transportation (FAST) Act legislation tonight.

North Carolina Department of Transportation Division 4 Engineer Tim Little stated the future interstate corridor signs would be erected as soon as possible after Fixing America's Surface Transportation (FAST) Act becomes law. The interstate shield signs should be available in May 2016.

Havelock Bypass Update

North Carolina Department of Transportation Eastern Region Project Development Section Head Rob Hanson updated the members of the Highway 70 Corridor Commission on the Havelock Bypass. The final Environmental Impact Statement has been approved by the Federal Highway Administration. This is not the final milestone to be approved for the project, but is a large one. The final environmental document is the Record of Decision, which is expected to be approved within the next five months. These documents are needed to authorize right of way acquisition. He introduced North Carolina Department of Transportation Eastern Region Project Development Group Supervisor Brian Yamamoto, who has worked on the Havelock Bypass project for a decade.

North Carolina Department of Transportation Eastern Region Project Development Group Supervisor Brian Yamamoto stated there are still a few issues to work out with the US Forest Service concerning the Havelock Bypass closure plan for prescribed burns from 11:00 a.m.-5:00 p.m. An agreement has been reached in concept. An agreement has been reached on the red cockaded woodpecker. The Record of Decision is anticipated in the spring. Design on

the project has been ongoing with the documentation being finalized. Alternative 3 was selected as a 10-mile bypass around Havelock. The right of way is scheduled for fiscal year 2016.

North Carolina Department of Transportation General Counsel/Deputy Secretary Shelley Blake stated meetings have been held with the Southern Environmental Law Center to try to take preventive measures. She and the North Carolina Board of Transportation Chairman met with the Southern Environmental Law Center. A follow-up meeting will be held to hopefully alleviate the Center's concerns. The North Carolina Department of Transportation is making sure all documents are in order in the event the matter goes to court.

Highway 70 Corridor Commission Director M. Durwood Stephenson commended the North Carolina Department of Transportation staff, the Highway 70 Corridor Commission members and our Congressional delegation for their efforts in trying to move the Havelock Bypass forward. Positive comments on the Environmental Impact Statement would be appreciated.

North Carolina Department of Transportation Eastern Region Project Development Section Head Rob Hanson stated the Environmental Impact Statement for the Havelock Bypass is open for public comment until January 22, 2016. The document will be online and there will be an executive summary.

Empowering North Carolina's Rural Communities Presentation

Highway 70 Corridor Commission Director M. Durwood Stephenson welcomed North Carolina Rural Center President Patrick Woodie, North Carolina Rural Center Entrepreneurship and Microenterprise Director Barry Ryan and North Carolina Rural Center Research and Policy Senior Fellow Jason Gray to the meeting. The North Carolina Rural Center and the Highway 70 Corridor Commission have a common agenda and both organizations have hope for tomorrow. He thanked the North Carolina Rural Center for the letters of support for the Fixing America's Surface Transportation (FAST) Act with the interstate designations, which were personally delivered to our Congressional delegation.

North Carolina Rural Center President Patrick Woodie stated the Rural Center supported the work of the Highway 70 Corridor Commission and the work of local governments in rural communities. The North Carolina Rural Center is a statewide private nonprofit organization with a mission to develop, promote and implement sound economic strategies to improve the quality of life of rural North Carolinians.

The North Carolina Rural Center:

1. Operates four small business lending programs – two which do direct lending and two which work with community banks.
2. Has a leadership development program to build a base of strong capable leaders to help improve the economy and quality of life of rural North Carolina. The Rural Economic Development Institute will take place in March, April and May 2016.
3. Develops community engagement to connect the community to resources.
4. Builds a comprehensive rural advocacy agenda stressing the rural needs and issues.

The North Carolina Rural Center is concerned about the rural economy and that the economic recovery is not reaching all areas equally. Employment growth data for the period of July 2010 to July 2015 was reviewed. Fifty-seven percent of the total rural employment growth occurred in 10 of the 80 counties. Twenty-six rural counties had net job losses over the period. The average wage and salary earnings difference between urban counties and rural counties was approximately \$20,000. In 2013 the average income for a small business sole proprietor in an urban county was \$43,470, while the average income in a rural county was \$21,484.

Next year the North Carolina Rural Center will be initiating a rural advocacy agenda after the primary. Rural North Carolina communities will be asked to join and incorporate local issues and concerns. Focus areas will include infrastructure (roads, water, sewer and broadband), rural health care and small businesses/entrepreneurship.

The North Carolina Rural Center also provides a summary of the state budget. This includes a synopsis of rural resources and provisions of interest for rural areas. The Rural Center was pleased to see short-term increased transportation funding in the budget. There needs to be increased transportation funding in future budgets or even in another bond referendum in the future.

The North Carolina Rural Center will be working with Farm Bureau, North Carolina Cooperative Extension, North Carolina League of Municipalities, North Carolina Association of County Commissioners and the North Carolina university and community college system to advocate for the passage of the Connect NC Bond. Proposed water and sewer bond funds are expected to go to rural North Carolina communities. It is believed every county in North Carolina will have the opportunity to benefit from the Connect NC Bond Act. Some of the issues in the bond address long-term critical needs of the state.

North Carolina Ports Update

North Carolina State Ports Authority Port Planning and Development Director Stephanie Ayers gave an update on the North Carolina ports. The US Army Corps of Engineers was able to dredge the navigational channel at the Port of Morehead City back down to 41 feet. Federal appropriations in the amount of \$8.6 million will enable additional dredging. The North Carolina State Ports Authority will match with \$3.5 million. Dredging will start back up in the near future.

The North Carolina State Ports Authority has performed well over the last period. Revenues were \$2 million over budget and were 11% over the prior year. Expenses were down 6%. Overall the period net income was \$3.4 million. Containers were up 18%. Even though PCS was down at the Port of Morehead City, the port performed over the prior year by 12%. This increase was due to specialized commodities, such as the steel girders being manufactured in Greensboro, North Carolina and going by barge to New York to build a bridge. There has also been increased military shipping. While PCS volumes are down, the company is transitioning its business from bulk to bagging and palletizing into the South American market. New exciting imported commodities include organic grain imports from Turkey and Romania, which are being milled with other grain products in the northeastern part of the state for animal feed. The North

Carolina Ports has partnered with North Carolina Department of Transportation to bring transload capability to the Port at Morehead City, which will allow more commodities to be moved by rail and take trucks off the road to alleviate congestion at Morehead City. The North Carolina Department of Transportation has partnered to purchase transload equipment for approximately \$500,000. The transload equipment will be utilized within the coming months.

In response to questions, North Carolina State Ports Authority Port Planning and Development Director Stephanie Ayers stated a large amount of the increased revenue was due to the increased container activity at the Port of Wilmington. There is an understanding of the change in hydrology at the Port of Morehead City, which caused the shoaling and will be studied. Cutting expenses were based on policy decisions on labor and resources. There was a lower head count than in the past, which had a significant impact.

Highway 70 Corridor Commission Director M. Durwood Stephenson stated part of the PCS decrease in volume was due to the shoaling, which only allowed ships to be half full. Shoaling impacted the amount the barges could carry.

North Carolina State Ports Authority Port Planning and Development Director Stephanie Ayers thanked leadership across the state for motivating the US Army Corps of Engineers and for being able to share in the cost of future dredging operations.

Highway 70 Corridor Commission Director M. Durwood Stephenson stated the North Carolina General Assembly funded jetty and groin demonstration projects, which will hopefully minimize the shoaling.

North Carolina Department of Transportation Chief of Staff Bobby Lewis stated the last legislation capped the groin projects at six. The areas around the New River inlet and Bogue Inlet in Carteret and Onslow counties were included. The study will help understand the shoaling hydrology and aid in shoaling problem areas and hopefully provide solutions.

Report from North Carolina Department of Transportation Headquarters

North Carolina Department of Transportation Chief of Staff Bobby Lewis stated the Highway 70 Corridor Commission began with the Kimley-Horn study. The Clayton, Goldsboro and Havelock Bypasses eliminate traffic signals. Smaller improvements along the corridor are value added projects as far as access management. The strongest attribute of the Highway 70 Corridor Commission has been its "One Vision, One Voice" unity over the years. He applauded the combined local efforts to further the Highway 70 Corridor Commission. The Fixing America's Surface Transportation (FAST) Act will contribute approximately \$400 million to North Carolina over five years.

North Carolina Department of Transportation Chief of Staff Bobby Lewis reviewed Senate Bill 20 during the past year. DMV fees were increased 30%. A CPI index was also included. The Highway Use Tax goes to the Trust Fund. The Motor Fuels Tax formula was changed to 71% for operations and maintenance and 29% for capital. The Highway Fund will now keep \$260 million. The North Carolina General Assembly appropriated reoccurring funds

for the bridge system, contract resurfacing program and modernization efforts for the ports. The North Carolina Department of Transportation wants to continue to do revenue reform. A recently submitted unit cost report should increase efficiency.

Atkins Mid-Atlantic Vice-President of Business Development Major General James H. Trogdon, III stated Congress found a compromise because the economy is improving. With the annual debt is decreasing some, this allowed a General Fund transfer for transportation. For the first time since 1989, the North Carolina General Assembly had a substantial revenue increase, which was beneficial. We still need revenue for transportation. The State Transportation Improvement Program (STIP) and project prioritization were necessary steps in order to get the reform this year. The project prioritization will continue. Each project fights for funding at the division, regional and statewide level. Making US Highway 70 an interstate highway is necessary. Most of the progress on this conversion has been made within the past 14-18 months. All of the partners came together for the US Highway 70 Corridor and US Highway 117 projects in order to support economic growth in the region. The Highway 70 Corridor Commission is on the right track and was formed to support the project from the grassroots level up to the federal level. He thanked everyone for their support.

North Carolina Department of Transportation Chief of Staff Bobby Lewis stated the amended list of State Transportation Improvement Program (STIP) projects will be approved in January 2016. Today approximately 80% of our transportation dollars are from the state and 20% from the federal government. As we continue to determine our needs, we are less dependent on federal dollars.

North Carolina Board of Transportation Member Gus H. Tulloss stated North Carolina Department of Transportation Secretary Nick Tennyson compared North Carolina to other states. South Carolina has experienced floods and road closures. South Carolina uses property tax to fund roads, which is limited. North Carolina has a good road system.

Financial Report

Highway 70 Corridor Commission Director M. Durwood Stephenson reported as of November 30, 2015 there was an account balance of \$258,785.91.

Division 2 Update

North Carolina Department of Transportation Division 2 Engineer John Rouse updated the members of the Highway 70 Corridor Commission on the following projects:

- After the Goldsboro Bypass, the first stoplight in Lenoir County is located at Little Baltimore. A safety project will address vehicles travelling at a high rate of speed off the Goldsboro Bypass and encountering the stoplight at Little Baltimore. The North Carolina Department of Transportation is looking at safety options.
- Harvey Parkway Extension, Part C – This is the last section of the Harvey Parkway, which will connect with NC Highway 11. A public workshop was held with a good turnout and positive comments. The environmental document is scheduled to be

completed in June 2016. The plan is to let the project as a design build project in 2017. The project is on a fast track.

- The Kinston Bypass is currently unfunded in the State Transportation Improvement Program (STIP), but a preliminary draft of the Environmental Impact Statement will be completed.
- US Highway 70 at James City. The project is to convert US Highway 70 at James City into a freeway from the Neuse River bridge to Grantham Road, dealing with a series of interchanges. James City has a lot of traffic and has the highest traffic count of any road in Division 2. A series of public outreach meetings were held. This will be a difficult project. The environmental document is scheduled to be completed in 2020 with the project to be design built in 2021.
- This is a State Transportation Improvement Program (STIP) amendment project - section of US Highway 70 from James City to the Havelock Bypass was funded for right of way in 2024-2025. This is a needed project. This will be a freeway with a service road network, similar to James City. This project will be accelerated if possible.
- Havelock Bypass Record of Decision scheduled for spring 2016. Right of way is also scheduled for 2016. Construction is scheduled for 2018.
- Gallants Channel Bridge – pile driving work in the water is nearing completion. Roadway work is 75% complete. Estimate traffic will be on the bridge in late 2016. Even with adverse weather issues, work is ahead of schedule.

Division 4 Update

North Carolina Department of Transportation Division 4 District Engineer Tim Little updated the members of the Highway 70 Corridor Commission on the following projects:

- Goldsboro Bypass eastern section is 85% complete – anticipated completion date is June 2016.
- Pine Level – two interchanges with one at Collins Marine and one at Davis Mill Road/Stevens Chapel Road. Closures in mid-December for intersection at Davis Mill Road/Stevens Chapel Road.. Completion date is late 2017.
- Wilson Mills – approved in the five-year State Transportation Improvement Program (STIP). Right of way scheduled in late 2016. Construction scheduled for 2018-2019. Hope to accelerate the project. Public meeting will be held in February 2016.
- Bridge rehab project at prison in Johnston County has been completed .
- 19 of the 26 projects have been accelerated in Division 4. The US Highway 117/Interstate 795 extension project construction is post year. The Country Club Road/O’Berry Road projects have been accelerated.
- Construction on Little River Bridge on Interstate 95 at Kenly will significantly impact traffic.
- Bridge in Johnston County will be named for Deputy C. Paul West, who was killed in the line of duty.
- Clayton Bypass/Interstate 40 improvements scheduled for 2017-2018. Interstate 40 will be widened to four lanes in both directions from NC 42 in Johnston County to Interstate 440 in Wake County.

North Carolina Department of Transportation Division 4 District Engineer Tim Little stated charity golf tournaments were held for the family of former North Carolina Department of Transportation employee William Grey Bailey, who was killed while working on US Highway 70 in Wayne County. He asked everyone to remember the Bailey family in their thoughts and prayers.

Election of Officers

Upon motion of Wayne County Member Jack Best and seconded by Craven County Member Danny Walsh, the members of the Highway 70 Corridor Commissioner unanimously re-elected the current slate of officers:

- Chairman Ted Godwin (Johnston County)
- Vice-Chairman Tom Mark (Craven County)
- Secretary/Treasurer Frank Price (Johnston County)

Public Comments

Bill Price from Carteret County stated the Highway 70 Corridor Commission has been tremendously successful in obtaining improvements. There have been numerous environmental delays, environmental costs, environmental restrictions and environmental lawsuit, which have been extremely costly to the State of North Carolina. The people of North Carolina do not realize what the environmental delays or restraints have cost. He questioned if there was some way to make the citizens of North Carolina aware of these costs. Since he utilizes US Highway 70 frequently, he would like eastern North Carolina to receive the benefits of an interstate highway. He suggested North Carolina study the sand transfer pipe project in Lake Worth, Florida to determine if it could be used to prevent environmental obstructions.

Highway 70 Corridor Commission Chairman Ted Godwin stated we may need to have a public relations campaign to address the delays and costs caused by environmental issues.

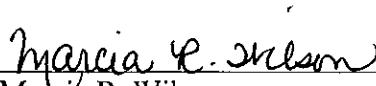
Atkins Mid-Atlantic Vice-President of Business Development Major General James H. Trogdon, III stated often it is not as much about environmental issues as about transportation policy or getting local governments to change their land use policies.

Next Meeting

The next meeting of the Highway 70 Corridor Commission will take place on Thursday, January 21, 2016 at 1:30 p.m. at Lane Tree Conference Center, 2317 Salem Church Road, Goldsboro, North Carolina.

Adjournment

At 3:50 p.m., Highway 70 Corridor Commission Chairman Ted Godwin adjourned the meeting.



Marcia R. Wilson