

Meeting Notes
Wilmington Urban Area Metropolitan Planning Organization
Transportation Advisory Committee
Date: December 16, 2009

Members Present:

Lanny Wilson, Chairman, NCBOT
Jim Dugan, Town of Kure Beach
Mike Ballard, Town of Navassa
Bill Blair, Town of Wrightsville Beach
Bill Saffo, City of Wilmington
Jason Thompson, New Hanover County
Bill Sue, Brunswick County
Jack Batson, Town of Belville
George Brown, Pender County
Tommy Wallace, Town of Leland
Laura Padgett, City of Wilmington

Staff Present:

Mike Kozlosky, Executive Director

1. Call to Order

Mr. Wilson called the meeting to order at 4:03 PM.

2. Approval of Minutes:

Minutes for the meetings of September 30th, October 14th and October 28th were approved unanimously.

3. Public Comment Period

Ms. Stephanie Ayers, Director of Planning for the NC State Ports Authority, spoke regarding the addition of marked bicycle lanes on South Front Street. South Front Street is heavily used by truck traffic. On any given day you could have anywhere from 600 to 800 trucks coming in and out of the Port and a large number of those trucks use South Front Street. She stated that it is the position of the State Ports that South Front Street should not be designated with a bike lane and with the repaving, they would recommend that the TAC not allow for a specific paving for a bike lane there.

Mr. Tom Rivers, Vice Chairman of the Bicycle/Pedestrian Committee, told members that the Bicycle/Pedestrian Committee is in support of bike lanes on South Front Street. It is currently designated as State Routes 3 and 5. There is not a large amount of bicycle traffic that uses that road. If we could connect downtown through Burnett Boulevard to access to bike lanes on River Road, it would be a great help. He said the Bicycle/Pedestrian Committee would ask members to support the resolution.

4. Presentations

a. Recognitions of Outgoing Transportation Advisory Committee Members

Mr. Lanny Wilson thanked all the out-going members of the TAC and presented a Certification of Appreciation to Mr. Tommy Wallace and Mayor Mac Montgomery for their deciation to the organization.

b. Federal Transportation Rescission – John Sullivan, FHWA Division Administrator

Mr. John Sullivan, Division Administrator at Federal Highway Administration (FHWA), told members he wanted to clarify information regarding the rescission that occurred at the end of Highway Authorization, commonly referred to as SAFETEA-LU, which was passed in 2005 and expired September 30th of this year. The main point of the presentation is to discuss a rescission that occurred at the end of the Federal Fiscal Year. It was about \$8.5 billion nationally and North Carolina's share was about \$269 million. That rescission was written into

law and the prescribed manner in which the Federal Highway Administration took the funds from each state was also prescribed by law. One of the reasons is because when Congress passed SAFETEA-LU, it recognized that there was not going to be sufficient revenue to cover the authorized amount that they established in SAFETEA-LU. So at the end of SAFETEA-LU, they had a rescission of the unobligated balance of federal-aid funds. One point he would like the members to understand is that even though there was a rescission of apportionments, it did not affect North Carolina's ability to program Federal funds or projects and it really doesn't impact us as we move forward. When we have a Highway Bill, Federal Highway distributes the apportionments every year on October 1st of that year. The funds are really a line-of-credit; the funds never leave the Highway account but it appears as a designation of the funds to North Carolina. Each year Congress passes an Appropriation Act that tells us how much funding we can actually commit to projects. SAFETEA-LU guaranteed a certain obligation limit that states could count on as they are advancing projects. The Federal Highway Administration and the leadership at USDOT is working with Congress to look at what is going to be the future of the next Highway Bill. FHWA has put forward an 18-month extension to allow for discussions and debate on what is the appropriate level of Federal funding in the future versus how do we get to that level.

Congress knew that revenue was less than the programmed amount and so over the life of SAFETEA-LU there were 10 other rescissions that occurred. Many of the urban areas did not hear about these because NCDOT took the rescissions out of "state-wide" programs such as the Interstate Maintenance Program, the National Highway System Program and the Bridge Replacement Program.

Mr. Sullivan next presented information on the core programs where most of the money is distributed. He told members that each program has eligibility criteria. Each state tries to look at the eligibility criteria for different programs and match each project to the best use of the dollars in each category. When FHWA came out with an estimate of rescission, one of the areas of concern expressed by many of the MPOs was the August 31st notice that showed a number that was going to be rescinded from each of the programs. When the rescission was calculated on September 30th, a lot of the areas did not have unobligated balances and so FHWA had to adjust the calculations. At the end of re-calculation, Metro-Planning Funds had increased over five-times.

Mr. Kozlosky asked why the SPR funds were not rescinded. Mr. Sullivan said that they were not because the rescission applies to Chapter 1, which are Core Programs.

Ms. Padgett asked why doesn't the rescissions plus the obligated balances equal the apportionments. Mr. Sullivan told members Congress sets the apportionments higher than the obligation and when FHWA apportion funds to a state, the funds are generally available that year and then three years. That applies to many programs, but not all of them, so what's happening is over time unused funds are building up. That may include some funds that may not have been apportioned by SAFETEA-LU. Ms. Padgett asked if the \$8.5 billion dollars really existed anywhere. Mr. Sullivan said in his mind there is no guarantee that we could have used that \$8.5 billion in the beginning. The unobligated balance is just a line-of-credit that if Congress doesn't reauthorize future legislation, then we may not be able to get to that money. He said his point has been that it's really money that the state could not have used to program projects because we weren't given the authority.

Mr. Wilson asked how much does North Carolina get back today for each dollar sent to Washington. Mr. Sullivan said the way they calculate it, North Carolina is getting 92½% of what is distributed to the states. Mr. Wilson asked if it is actually less than that. Mr. Sullivan said before Congress distributes the funds to the states, they take off a certain amount for the administrative costs for FHWA and certain elements in USDOT. Then they take off the

research total dollar amount and then some of the congressional priority projects (earmarks) are taken off. There are certain programs that are taken off the top before they distribute the funds to the states and so the way Congress wrote the bill is each state is guaranteed 92½% of what is distributed to the states, not the 92½% of the total operational. Mr. Mark Foster, CFO for NCDOT told members that figure is typically 85% to 90%.

Mr. Sullivan told members one of the areas that has been a concern to Mr. Kozlosky is the Metro-Planning Funds. The dollar amount rescinded in this area is showing a big difference compared to the dollar amounts rescinded in the other MPOs across the state. The difference is because Greensboro did not have any of its planning funds left. They used it all prior to the rescission. Mr. Wilson stated that it appears that if you are running a fund balance then you are penalized.

Ms Padgett asked who made the decision on how the funds were allocated. Mr. Kozlosky told members the MPO gets \$130,000 and we get a percentage based on our population. We use that money to fund our budget. It is important to point out that we lost \$188,000 in Planning Funds which is going to impact the way we operate next year and years to come. We used that \$188,000 as a savings account and that is the money we use to do projects like the Dow Road Corridor Study, the Wrightsville Beach Bike Plan and some of the collector street plans we have done in Brunswick County. For us to continue to operate and do some of these important studies, we're going to need to have discussion about how we move forward. It is going to have an impact on how we operate and conduct day-to-day business.

Mr. Wilson asked if there were any notice regarding the rescission. Mr. Kozlosky stated that the MPO was notified that there was going to be a rescission of \$1.4 million in planning funds across the state. When the final decision came out a month later, that amount had increased to \$5.4 million. What that did was to zero out each MPO's fund balance. Mr. Wilson asked if the state made that decision. Mr. Sullivan said the state did not do the calculation. The formula was prescribed by law. The first step in the process was to look at what the apportionment of each category was to the total amounts distributed to the states. With everything being equal, the apportionment would be calculated based on this number compared to what was distributed to the state. What happened was that funds were obligated in different categories at different amounts based on the TIP, so there was a large emphasis on building loop projects and other major highways. The National Highway System (NHS) and the Interstate Maintenance (IM) categories were the funds that were used first so there was very little unobligated balance in NHS; so when we came across that situation, what we had to do is then look at what was the remaining balance in each category and then do proportion that way. That is why in some of the categories, the unobligated balance was rescinded to zero. NCDOT had been taking funds out of Interstate Maintenance and Bridge Replacement so that reduced the amount of available funds. But if you compare the total, you can see that Congestion Mitigation and Air Quality (CMAQ) and Bridge Replacement were the number 1 & 2 categories of funds rescinded over the life of the SAFETEA-LU, and then Interstate Maintenance, based on percentages. Mr. Sullivan said he thought part of the frustration as explained to FHWA was that they sent out an estimate on August 31st and it gave everybody an idea on what the rescission would be and it wasn't based on these calculations. What had happened was that on September 30th we looked at what was in the accounting system and when based on live-data, some of the numbers changed very dramatically. Mr. Kozlosky told members that state of North Carolina is covering for some of the other states that didn't have balances in some of these line items. Mr. Foster said that was Nevada.

Mr. Sullivan said when SAFETEA-LU ran out on September 30th of this year, if we look at the trends of the Highway Account and the Highway Trust Fund, in August of 2008 you will see a sharp increase in revenue that is attributed to Congress transferring about \$8 billion into the Highway Account to cover estimated expenditures. The same thing happened in July of 2009.

We enacted some things at FHWA to help us better forecast revenue based on travel trends that have been collected from the states. In July, Congress transferred \$7 billion from the general fund into the Highway Account. What is really happening is the expenditures outlay account are exceeding the revenue. Expenditures in 2009 were \$37 billion and revenue was \$30 billion. Currently the travel trends are indicating that the travel revenue is continuing to decline about 1% and our expenditures are increasing at about 1½%. As Congress deliberates the next highway bill, they are also deliberating what to do with the revenue. If you look at it from two practical standpoints, you can either increase revenue or you can down size the program.

Mr. Wilson asked Mr. Sullivan if he could see any radical changes coming with respect to recommendations that the Federal Highway Administration will be making to Congress in how they fund transportation. Mr. Sullivan said for right now the policy is being formulated and what will happen is FHWA will submit any proposals that come through the office of their Secretary. Currently they are still formulating what FHWA would like to see in the Highway Bill.

Mr. Wilson said he would like to invite Mr. Foster, the Chief Financial Officer (CFO) for the Department of Transportation to follow-up the presentation with a few observations regarding funding for the State. Mr. Foster told members it has been a tough economy for the last year. He attended a CFO conference the day before and they had North Carolina's lead economist come in and talk about the future. The only advise he gave the group was that the economy was going to be less-bad than it was this year, which means most economist feel we have hit rock-bottom. If you look at transportation funding, we were down about 9 to 10% last year, which equated to about \$250 million less than we received in highway transportation funds. The forecast for this year is actually a little worse and we are tracking that very close to the actual performance in the first five months. One thing that has helped this year is the Stimulus funding. We authorized \$735 million Highway and Bridge and another \$103 million for funding for our transit operations. To date, we have obligated over 90% of those funds in Highway and Bridge. 100% of those funds will be obligated by February of 2010. Mr. Foster said it is interesting that Congress has looked at how the ARRA funds have been used across the county and you are starting to hear conversations about a second stimulus. They are looking at transportation as one of the vehicles for getting infrastructure spending out into the community. As of last night, the word on the street was that we are looking at a stimulus of similar magnitude to what we just had this year. Because of repayment of the TARP funds from the banks, Congress is looking at recycling those payments back into infrastructure and transportation. We used \$800 million on over 400 projects across the State. If a second stimulus comes about we will be back at the planning table very quickly because we expect it will be very similar to what we experienced in the first stimulus. We expect the second stimulus to require more coordination than the first and obviously we did learn lessons from the first. We want to make sure for every dollar we get, we put it to the highest priority use possible across the State.

Mr. Wilson asked Mr. Foster to give this board a brief update on the Wilmington Bypass, which is the number one project across the region and is loop-fund eligible. . Mr. Foster told members the ability to deliver projects outside of ARRA down-sized significantly. Only about half of the TIP projects could have been delivered in the first five years and the large loop-programs were a good portion of those projects. We are in the midst of a prioritization process in looking to determine the cost-benefit for funding those loops. That is suppose to be done in the first quarter of 2010. Mr. Wilson asked how much loop fund money will be available next year. Mr. Foster said it will probably be less than projected because we were hit the worst in terms of revenue in the Highway Use Tax and Titling fees.

c. Cape Fear Memorial Bridge Preservation Project – Allen Pope, NCDOT Division Engineer

Mr. Allen Pope told members the bridge was opened in 1969. The lift structure was last painted 1985 but the fixed structure steel has never been painted. The Department is proposing to clean and paint the lift-span, as well as the lift towers, the control house, the machinery house, the weight house and all ladders and steel frame work around the tower. They also plan to rehabilitate the span guide rollers. They will replace the lighting systems on both the fixed structure and the lift span and also replace the HVAC system in the control house. Because the bridge structure contains lead and other hazardous materials that must be contained, the work area must be encapsulated. The project will require a total closure for vehicle traffic during the hours of 7 PM to 6 AM and is scheduled to take place between April 15th and June 15th. The projected cost is \$8 million. Mr. Pope told members the Department recommended painting the bridge light gray or pale green to match the existing system. Mr. Pope suggested forming a committee to select a color and then bring it back to this committee for final determination. Mr. Thompson told members he would chair the color committee. Mr. Sue and Ms Padgett agreed to serve on the committee.

5. Old Business

none

6. New Business

a. Opening of 30-day Public Comment Period for MTIP/STIP Amendment for Public Transportation Program

Mr. Kozlosky told members there are several MTIP/STIP amendments that the North Carolina Public Transportation Division is proposing for Division 3 and Cape Fear Public Transportation Authority. Based on the Public Comment Policy, staff is required to provide a 30-day public comment period. The Public Comment Period was opened December 16th and will end on January 15th. Ms. Padgett asked if they are amendments or new additions and what is the difference. Mr. Eby told member there is one addition for a vehicle to be funded with ARRA money. The others are to specify that stimulus money will be used for a project.

b. Resolution Opposing Changes to the Transportation Equity Formula

Mr. Kozlosky told member the NC Metro Mayor's Association is circulating a resolution to municipalities, MPOs and RPOs in the state requesting that North Carolina study, evaluate and change the Transportation Equity Formula. Mr. Kozlosky told members that Division 2 and 3 receives about \$1,200 per person. Mr. Wilson told members what is deceiving is that it doesn't take into account public transportation dollars is misleading. Ms. Padgett said another thing this doesn't show is the spending in those areas prior to 2007. If you look at 2007, we were down at the bottom and we gave up money out of our equity formula to build other projects in these highly-funded urban areas. Mr. Wilson reminded members that it took years for them to give back what they had borrowed from us. To go and change the rules now doesn't seem right. Mr. Kozlosky told member the resolution is in opposition to any changes to the equity formula. Mr. Saffo told members that not all the Mayors are in favor of the request. Mr. Sue made the motion to approve the resolution opposing any changes to the Transportation Equity Formula. Ms. Padgett seconded the motion and it carried unanimously.

c. Resolution Supporting Bicycle Lanes of Princess Place Drive and South Front Street (US 421 Truck)

Mr. Kozlosky told members NCDOT is working on a resurfacing program. Included in the resurfacing program are Princess Place Drive and South Front Street. Princess Place Drive is a parallel route to Market Street. South Front Street is a parallel route to 3rd Street. South Front Street is also identified by the North Carolina Department of Transportation as Bicycle Routes 3 and 5. Staff is proposing to work with the North Carolina Department of Transportation, both the Division, as well as the Bicycle and Pedestrian Division through their resurfacing project to modify the pavement marking plan to designate bike lanes on those two

corridors. He stated that it is important to point out that South Front Street was identified as Bicycle Routes 3 and 5 prior to it being identified as US 421 Truck.

Ms. Padgett told members it is important to recognize the amount of truck traffic on that road. She said she has ridden that street on her bicycle. Without some kind of designated markings, it's really scary. The condition of the pavement makes it worse. She suggested adding that the pavement should be widened to the resolution.

Mr. Kozlosky pointed out that there are no funds to widen the road. The amount of funding the state has allocated to the project is just for the resurfacing within the existing right-of-way. Staff is proposing to narrow the lane where the two-way left turn lane and the railroad tracks currently exists to accommodate bicycle users in the appropriate space. Mr. Wilson asked how the complete street program approved by the Board of Transportation relates in conjunction to this project. Mr. Kozlosky told members conversion to add the bicycle lanes is consistent with the Department's "Complete Streets Initiative" that was adopted in July.

Mr. Sue suggested including the Port in the group developing the pavement marking plan so that it will meet the needs of the organization. Mr. Kozlosky said he would contact them. Mr. Ballard told members he felt that the Ports should be involved in this decision. He suggested tabling the item for further study.

Mr. Kozlosky told members this project is under a very tight time frame. Mr. Pope stated that as soon as Mr. Kozlosky gets the pavement marking plan, the Division can determine if it is an acceptable means of moving forward. Mr. Kozlosky told members staff is asking for support from this organization before moving forward with developing the pavement marking plan. Mr. Sue asked how much time Mr. Pope had before resurfacing was to begin. Mr. Pope said probably until March 15th. Mr. Sue made the recommendation that the item be tabled for at least a month to allow the Port the opportunity to be involved in the discussions.

Ms. Padgett said she would like to make a substitute motion that the committee move forward with this with the addition the Mr. Kozlosky and Mr. Pope sit down with the Ports and work out a way to make it safer for this to be a designated bike route. Mr. Saffo seconded the motion. Mr. Saffo told members that people are going to use the road anyway. We should make it as safe as possible for citizens. We should take the Port comments into consideration but this is a safety issue.

Mr. Sue asked Ms. Padgett to restate the substitute motion. Ms Padgett stated she would like to make a substitute motion that we move the resolution forward with the stipulation that Mr. Kozlosky and Mr. Pope will meet with the State Ports and work out marking for the bicycle path that will improve the safety of the situation by allowing marked space so that truckers will know there are bicyclist in that space. Mr. Saffo seconded the motion and it carried unanimously.

d. Resolution Adopting the Filing of a Transportation Corridor Official Map for the Interchange at Kerr Avenue and Martin Luther King, Jr. Parkway (US 74)

Mr. Kozlosky told members the City of Wilmington has received plans for a six-lot subdivision at the intersection of Martin Luther King, Jr. Parkway and Kerr Avenue. The Kerr Avenue widening project (U-3338) is funded in the State's Transportation Improvement Program and the 5-Year Work Plan; however, the interchange is not. Staff is proposing to request that the City of Wilmington file a Transportation Corridor Official Map Act to preserve this property for three years from the time the applicant submits a building permit. Ms Padgett made the motion to approve the resolution requesting the City of Wilmington to file a Transportation Corridor Official Map to preserve the property for the future interchange at Kerr Avenue and Martin Luther King, Jr. Parkway. Mr. Saffo seconded the motion and it carried unanimously.

e. Adoption of a 2010 Meeting Calendar

Mr. Ballard made the motion to approve the 2010 meeting calendar. Mr. Sue seconded the motion and it carried unanimously.

Mr. Wilson told Mr. Kozlosky he would like to add discussions of the Top 25 Projects ranking list to the agenda for the next meeting. He told members because a Loop-Fund eligible project was included on the list, it may result in an incorrect ranking on the number one project in the area. He said he would also like to include the new feasibility study on widening College Road from New Center Drive to Gordon Road on the agenda. The new study has developed numerous alternatives and this committee should review these alternatives. Mr. Kozlosky said staff will include both items on the agenda.

7. Updates

- a. Cape Fear Commutes
- b. City of Wilmington/Wilmington MPO
- c. Cape Fear Public Transportation Authority
- d. NCDOT

8. Announcements

Mr. Kozlosky announced the upcoming meetings for next month.

4. Adjournment

With no further business, the meeting was adjourned at 5:43 PM

Respectfully submitted

Mike Kozlosky
Executive Director
Wilmington Urban Area Metropolitan Planning Organization