

The Traveler

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A Message from the Chairman

By Beau Mills

The past few weeks have been a busy time for transportation advocates in our state, and specifically for *NC Go!* Last week *NC Go!* hosted a transportation briefing and breakfast at the N.C. General Assembly where we welcomed legislators and a group of *NC Go!* members and partners, and presented a joint resolution requesting increased transportation funding.

The week prior, our coalition participated in announcing the launch of the Partnership for North Carolina's Future, an organization comprised of advocates concerned about the overall status of infrastructure in our state. A summary of the Partnership announcement and its objectives are included in this edition of the *Traveler*, but it is important to recognize the Partnership's role in bringing attention to transportation funding needs in North Carolina. *NC Go!* is a founding member of the organization and we are pleased to be working with other advocates to raise the level of awareness the burgeoning infrastructure needs in our state.

At the transportation breakfast and briefing, we were joined by nearly 25 members of House and Senate legislative committees who work on transportation and transportation funding issues. Senator Clark Jenkins, chair of the Senate Transportation Committee, vice chair of the Senate Subcommittee for Transportation Appropriations, and co-chair of the Joint Legislative Transportation Oversight Committee provided remarks and spoke of difficulties the legislature faces in reaching consensus on how to increase transportation revenue.

Representative Nelson Cole, chair for the House Transportation Committee, co-chair for the House Appropriations Transportation subcommittee, and is co-chair with Senator Jenkins for the Joint Legislative Transportation Oversight Committee also spoke at the event. Rep. Cole participated in last year's *Fill the Gap* event and reiterated his support for *NC Go!* activities.

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Sen. Jenkins and Rep. Cole are long-time *NC Go!* allies and are committed advocates for our cause. We expect to continue working with them to find solutions for meeting transportation needs in our state.

I also had the opportunity to address attendees and took the opportunity to remind them of the *NC Go!* commitment to creative thinking in terms of addressing the shortfall in transportation funding that faces North Carolina. Our population continues to grow and so do the number of miles each of us drive. The inflation rate for transportation construction and maintenance costs remains very high, so we see an ever-growing gap between needs and dollars available for projects. The impact of under-investing in transportation is that our quality of life and our business climate suffer. East or west, rural or urban, we all need efficient, safe and reliable transportation options. Unless something changes in how we raise revenue, all will continue to suffer.

At the culmination of the event, *NC Go!* vice chair Berry Jenkins (Carolinas AGC) announced our joint resolution calling for increased transportation funding in North Carolina. First referenced at the annual meeting last November, the resolution calls for increased transportation funding and was signed by 14 transportation advocacy partners representing thousands of companies, organizations, municipalities and public transit agencies, as well as millions of employees throughout the state. A copy of the resolution and our news release listing the partners is included.

Following the briefing, I had the opportunity to address the House Transportation Committee, and was joined by many of the *NC Go!* supporters who attended the breakfast. A copy of the remarks to the committee is also included in the newsletter, but the remarks were well received and the committee took time to recognize all the transportation advocates in attendance.

We want to thank the *NC Go!* members, partners and legislators who attended our event, as well as the legislators we spoke with that day. We recognize that transportation is one of many concerns for them, but we intend to keep up pressure in advocating the *NC Go!* platform. We need your help! Stay involved and take the time to write and call your legislators and tell them that transportation matters to you. The time to act is now.

NC GO! UNVEILS RESOLUTION CALLING FOR INVESTMENT IN CRITICAL TRANSPORTATION NEEDS

(May 30, 2007) - *NC Go!*, the state's "voice" on transportation issues, presented today its joint resolution asking the North Carolina General Assembly to take definitive steps in finding and implementing meaningful funding solutions for transportation.

"We are approaching a real crisis in our state," said Beau Mills, chair of *NC Go!* "Over the next 25 years, we expect a \$65 billion shortfall in needed transportation funding. At this rate, our roads and bridges will continue to deteriorate which increases congestion, decreases safety and increases costs. That isn't an incentive for sustaining economic opportunity and enhancing quality of life."

The resolution calls for increased transportation funding and was signed by transportation advocacy partners representing thousands of companies, organizations, municipalities and public transit agencies, as well as millions of employees throughout the state.

Organizations jointly signing include:

- American Council of Engineering Companies (ACEC)
- Charlotte Chamber of Commerce
- Regional Roads Committee (Charlotte region)
- Charlotte Area Transit System (CATS)
- Council of Independent Business Owners (CIBO)
- Highway 17 Association
- North Carolina Economic Developers Association (NCEDA)
- North Carolina League of Municipalities
- North Carolina Metropolitan Coalition

- North Carolina Public Transportation Association
- Professional Engineers of North Carolina (PENC)
- Regional Transportation Alliance (Triangle region)
- Triangle Transit Authority (TTA)
- Winston-Salem Chamber of Commerce

"We are falling behind in making investments in our transportation system – we must turn that around now before it is too late," said Mills. "Failure to keep up with traffic demands and road maintenance means we spend more time in traffic – away from our families and work."

"NC's transportation system is at a crossroads. I describe it as a perfect storm - a fast growing population that is driving longer distances and putting more miles on our roads every year combined with a rapid inflation increase for transportation related commodities such as steel and concrete. Add to that relatively flat revenues from the gas tax and diminishing federal aid and you have the ingredients for disaster," said Mills.

"This leaves us at this critical juncture – we can take the necessary actions to maintain a modern transportation system – with efficient roads, bridges, transit, airports and ports - or we can turn our backs and ignore the problem."

"The legacy we pass to future generations should not be a broken transportation system," said Mills. "Bottlenecks, dangerous roads and incomplete transportation projects are what are children will inherit unless we come up with meaningful funding solutions."

A Resolution in Support of Sufficient Funding to Meet North Carolina's Transportation Needs

May 30, 2007

WHEREAS, A comprehensive transportation system, inclusive of highways, rail, transit, ports and airports affects our state's economy and citizens' quality of life;

WHEREAS, Well-maintained highways and bridges aid in the flow of commerce and improve the level of safety for roadway users;

WHEREAS, A comprehensive and efficient transportation system relieves congestion in urban areas, fosters economic development in under- developed areas and expedites the delivery of goods and services in all areas;

WHEREAS, North Carolina depends on a sound transportation infrastructure to encourage tourism, whose economic impact is more than \$14 billion spent annually by more than 60 million visitors;

WHEREAS, The North Carolina Department of Transportation has acknowledged a \$65 billion shortfall between funding and needs over the next 25 years; and

WHEREAS, Deteriorating highways, reduced transit options, overburdened ports and airports and congested roadways result from under- funding.

NOW THEREFORE BE IT RESOLVED by the undersigned organizations, representing 25,000 businesses and member organizations, with over 6 million employees, transit riders, citizens and drivers in North Carolina;

That our elected leaders should take prompt action to address the shortfall in funding necessary to support and maintain a comprehensive multi-modal transportation system; and,

That the General Assembly should adopt sufficient and sustainable funding sources to meet current, and address future, transportation needs throughout the State.

NC Go!

American Council of Engineering Companies
(ACEC)

Charlotte Chamber of Commerce

Regional Roads Committee (Charlotte region)

Charlotte Area Transit System (CATS)

Council of Independent Business Owners
(CIBO)

Highway 17 Association

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North Carolina Metropolitan Coalition

North Carolina Public Transportation Association

Professional Engineers of North Carolina (PENC)

Regional Transportation Alliance (Triangle region)

Triangle Transit Authority (TTA)

Winston-Salem Chamber of Commerce

Comments before the House Transportation Committee

Beau Mills, NC Go! Chair
May 30, 2007

Good morning. I am Beau Mills, the current chairman for *NC Go!* our host this morning. My paying job is as director for the NC Metropolitan Coalition (an affiliate of the League of Municipalities for the mayors in our larger cities).

I would like to begin by thanking everyone who has taken time out of their morning to join us for the *NC Go!* legislative breakfast. We are grateful to all the members of the various House and Senate committees that work on transportation issues for coming to participate in this event. Thank you also to the more than 50 *NC Go!* members and supporters who have joined us this morning.

I know we all busy this morning so we will be brief. We will hear the Joint Transportation Committee Chairs – both Senator Jenkins and Rep. Cole and then my colleague and our vice chairman of *NC Go!* Berry Jenkins who will present a special resolution. We also hope to speak briefly today at the House Transportation Committee later this morning.

NC's transportation system is at a crossroads. I describe it as a perfect storm - the forces coming together - I believe they will all ring true to you:

- A fast growing and urbanizing population that is commuting further and more trucks on the road putting more miles on our roads every year
- Dramatic VMT Growth combined with a rapid inflation increase for transportation commodities such as steel and concrete.
- Relatively flat revenues from the gas tax and diminishing Federal aid.

These forces are not going away – the problem will not solve itself.

This leaves us at this critical juncture – we can look ahead AND work to maintain a modern transportation system – roads, bridges, transit, airports and ports --- or we can turn our backs and ignore the problem.

Now you can see why *NC Go!* has come together as a diverse coalition of transportation advocates – and why we are here today from all across the state. Our citizens, our businesses and economy demand leadership – and the search for solutions.

For several years *NC Go!* has spoken out about the lack of funding for the transportation system. We simply do not have the revenue sources in place to finance needs.

Last week *NC Go!* took part in an event aimed at increasing awareness about NC's infrastructure needs. The Partnership for North Carolina's Future, in which *NC Go!* is a founding partner, called on state leaders to begin serious debate about meeting our state's needs to deal with growth. Transportation is at the center of this important call to action.

There is no silver bullet, but the time has come to openly debate and consider options. *NC Go!* has suggested a few measures that should be part of the debate, and any funding for infrastructure should include transportation needs.

First, we recommend authorizing a \$1 billion statewide bond referendum to help address immediate needs and get some critical projects back on track.

Second, we believe the time has come to increase the highway use tax. There is no sales tax on vehicles in NC. Our current use tax is far less than the state sales tax - and lower than use fees in most of our neighboring states. Increasing the highway use tax from 3 to 5 percent would generate funds to help meet the growing gap – for roads, transit and even our proposed toll roads.

We also believe local communities should have the means to address their unique needs – through local option financing. If communities are willing to finance their transportation needs through local option taxes, and the money is devoted to transportation projects, they should have that right.

We must also preserve existing revenue sources and protect funds raised for transportation. The gas tax is our current best source of funding. Until there are better options, we must rely on it. And the time has come to phase out the diversion from the highway trust fund. The public's confidence in financing transportation has been eroded as the state dips into highway funding.

As I said earlier, we are looking at a perfect storm.

We can emerge on the other side of the storm with a transportation system that is robust, efficient and interconnected. Ports with adequate railways, railways with adequate highways, highways that move our goods and services efficiently and commuters with viable transit options and effective roads and highways. If we want to sustain economic opportunity in urban and rural areas, in the East and the West, and if we want to maintain our high quality of life, we have to do more. We have to be creative and collaborative, and come up with funding solutions that work.

NC Go! is here to offer solutions and support legislators who are willing to make the tough decisions - who have the vision for how our state should be – and who understand what is on the line. Let's make sure we pass along a state we are proud of to our children, and let's work together to once again make NC the "Good Transportation State."

PARTNERSHIP GROUP URGES N.C. GENERAL ASSEMBLY TO PREPARE NOW FOR IMPACT OF 'POPULATION TSUNAMI' ON STATE'S ECONOMY, QUALITY OF LIFE

North Carolina is facing a "population tsunami" that the General Assembly must meet with significant new capital investments to protect the state's economy and quality of life, according to a new coalition called Partnership for North Carolina's Future.

At a news conference today in Raleigh, Tom Lambeth of the partnership urged the General Assembly to take "bold steps to protect the basic foundation upon which our communities' quality of life and economy is

built – schools, roads, clean water and land protecting natural resources." Lambeth is chairman of the Rural Economic Development Center board of directors and former director of the Z. Smith Reynolds Foundation.

Members of the partnership are advocates for increased state investments in school construction, affordable housing, roads, land and water conservation, and water and sewer services.

“We stand together to say to the public: Your future is at risk,” said Lambeth. “If the General Assembly doesn’t address these critical needs now, it will cost our state jobs, damage our economy and adversely affect the livelihoods of families across North Carolina.”

Lambeth said North Carolina is facing a “population tsunami” of four million people arriving between 2000 and 2030 for a total of 12 million, or a 50 percent increase. That will make North Carolina the seventh largest state, ahead of both Michigan and Ohio, and up from the current ranking of 10th.

Such a population increase will be nearly equal to South Carolina’s current population of four million. “We’ve got to build the equivalent of a new South Carolina within this state,” Lambeth said.

“We are falling behind,” Lambeth said. “Existing sources of revenue are not enough to keep up with the combination of aging facilities and extraordinary population growth.” He pointed to:

- More than 178,000 K-12 students go to school every day in mobile units.
- More than 3,000 miles of streams and rivers do not meet clean water standards.
- More than 100,000 acres of forests, farmlands and natural areas are lost annually to development.
- Jammed roads and long-delayed highway construction plague cities and towns statewide.
- Rural communities with inadequate and aging water and sewer services that create potential public health hazards.
- More than two million people living in substandard housing or housing they can’t afford, which contributes to health problems in children.

Other speakers at the news conference included Steve Zelnak, chairman and CEO of Martin Marietta Materials, and former chair of

NCCBI; Dr. June Atkinson, state superintendent of public instruction; and Asheville Mayor Terry Bellamy.

“School, road, and water and sewer construction might be boring topics for some, but it’s the stuff on which a good business climate is built. We need more of it and fast, or the momentum we have will disappear almost before we notice it – and with it will go the jobs that are so important to our quality of life,” said Zelnak.

According to Dr. Atkinson, North Carolina school systems need to build 258 schools, or one per week on average every week for five years. Another 1,000 schools need renovations and still another 1,000 will need renovations during that five-year period, she said.

“Whether it’s rapid growth, poor roads, worn-out school buildings, or aging sewer lines and the lack of clean water, this state needs to make the necessary investment to repair, replace and get ready,” said Mayor Bellamy.

The partnership said that all funding options should be on the table to address the needs. Those include bond referenda, the local option land transfer tax, impact fees and the highway use tax. More than 50 bills have been introduced recommending new sources of capital investment funds for schools, roads, affordable housing, water and sewer, and land that protects natural resources.

Member organizations of the Partnership for North Carolina’s Future include Land for Tomorrow, the North Carolina League of Municipalities, the North Carolina School Boards Association, the North Carolina Association of School Administrators, the North Carolina Rural Economic Development Center, the North Carolina Housing Coalition, the North Carolina Association of County Commissioners, NC Go!, and the North Carolina Metropolitan Coalition.

For more information about the
Partnership for North Carolina's Future,
visit www.ncfuturenow.org.