

The Cape Fear Area Rural Planning Organization exists to serve as the intergovernmental organization for local elected officials, the North Carolina Department of Transportation, and residents of Brunswick, Columbus and Pender Counties to work cooperatively to address transportation issues.

Rural Transportation Advisory Committee (RTAC)
Meeting Agenda
February 16, 2018 • 9:00 AM
Cape Fear Council of Governments • Wilmington, NC

I. START-UP

- 1. Call to Order/Introductions**
- 2. Invocation/Pledge of Allegiance**
- 3. Ethics awareness & conflict of interest statement** – The following is to be read aloud at the beginning of each meeting:

In accordance with the State Government Ethics Act, it is the duty of every Committee member to avoid conflicts of interest. Does any Committee member have any known conflict of interest with respect to any matters coming before the Committee today? If so, please identify the conflict and refrain from any participation in the particular matter involved.

If any members have a conflict of interest, an ABSTENTION FROM VOTING form [attached] is required to be submitted *prior to the meeting*.

- 4. Election of Officers**
- 5. State Ethics Filing** – Ethics filing deadline is April 15, 2018
- 6. Additions or corrections to the agenda**
- 7. Approval of minutes:** October 19, 2017 [attached]
- 8. Public comment**

II. PRESENTATIONS

- 9. New NCDOT Division Corridor Development Engineer Positions** – Alan Pytcher, NCDOT Division 3
- 10. High Impact Low Cost Program & Projects** – Darius Sturdivant, NCDOT Division 6 and Alan Pytcher, NCDOT Division 3

III. OLD/NEW BUSINESS

11. **P5.0 Local Input Prioritization Methodology** – NCDOT gave conditional approval of the draft methodology on January 3rd with minor changes. *The RTCC recommended approval of the attached methodology.*
12. **Draft FY 2018-19 Planning Work Program** – The deadline to submit to NCDOT for approval is February 28. *The RTCC recommended approval of the attached draft PWP.*
13. **Ferry Report to Legislature** – The General Assembly Program Evaluation Division prepared the attached report on NCDOT's ferry operations. *The RTCC recommended that staff prepare the attached draft letter.*
14. **Call for Special Studies** – NCDOT is soliciting projects for study with FHWA State Planning & Research (SPR) funds. The local match for these studies has decreased from 20% to 5% for the Cape Fear RPO. Proposals are due to NCDOT in early March. *The RTCC did not identify any projects for submittal.*

IV. REPORTS/UPDATES

- Cape Fear RPO
 - Prioritization 5.0
 - Cape Fear Regional Bike Plan
 - Columbus Co Comprehensive Transportation Plan (CTP)
 - Brunswick Co CTP
- NCDOT Division 3 (Brunswick & Pender) - [attached]
- NCDOT Division 6 (Columbus) - [attached]
- NCDOT Transportation Planning Branch (TPB) - [attached]
- NC Board of Transportation

IV. OTHER

1. **Open discussion:** General questions, comments, and other discussions
2. **Future meetings:** May 18, 2018
Jun. 22, 2018
Aug. 17, 2018
Oct. 19, 2018
3. **Adjourn**

Cape Fear RPO
Rural Transportation Advisory Committee (RTAC) Meeting
February 16, 2018

ABSTENTION FROM VOTING

The undersigned TAC Member abstains from voting on the following Agenda items and requests that the official record of the Meeting shows that he or she did not vote on the motion:

Item _____

Reason for Abstention: _____

Item _____

Reason for Abstention: _____

Item _____

Reason for Abstention: _____

Signature: _____

Date: _____

The TAC Member should review the agenda prior to the meeting, list the agenda items or other matters for which he or she desires to abstain from voting, sign name, and give request to Allen Serkin, Secretary to the TAC, prior to the meeting.

**CAPE FEAR RPO
RURAL TRANSPORTATION ADVISORY COMMITTEE
MEMBERSHIP ROSTER 2018**

SEAT	NAME	POSITION	MAILING ADDRESS	PHONE	EMAIL	TERM	Ethics Status
Brunswick County 1	Frank Williams	Commissioner	PO Box 1986 Leland, NC 28451	M: 520-5159	commissioner.williams@brunswickcountync.gov	2018-19	
Brunswick County 2	Mike Forte	Commissioner	PO Box 249 Bolivia, NC 28422		commissioner.forte@brunswickcountync.gov	2017-18	
Brunswick Co. Alternate	Randy Thompson	Commissioner	222 Ricemill Cir Sunset Beach, NC 28468	M: 398-1818	randy.thompson@brunswickcountync.gov	2017-18	Filed 1/30/18
Brunswick Municipal 1	JV Dove	Southport Mayor	1029 N. Howe St Southport, NC 28461	H: 454-9020 M: 448-1740	jv_dove@southportnc.org	2018-19	
Brunswick Municipal 2	Craig Caster	Boiling Spring Lakes Mayor	884 South Shore Dr Boiling Spring Lakes, NC 28461	845-2101	mayorcaster@cityofbsl.org	2017-18	
Brunswick Municipal Alt.	Glenn Marshall	Sandy Creek Mayor	104 Joe Blackwin Dr Leland, NC 28451	H: 655-6028	glennmsn@live.com	2018-19	Filed 2/7/18
Columbus County 1	Edwin Russ	Commissioner	2012 Bella Coola Rd Lake Waccamaw, NC 28450	840-0100	edwinruss@embarqmail.com	2017-18	
Columbus County 2	Giles Byrd	Commissioner	1941 Giles Byrd Rd Hallsboro, NC 28442	840-6693 840-9477	buddybyrd@gmail.com	2017-18	
Columbus Municipal 1	Terry Mann	Whiteville Mayor	PO Box 607 Whiteville, NC 28472	H: 642-5029 M: 641-1000	manntl@ec.rr.com	2018-19	Filed 2/6/18
Columbus Municipal 2	Jackie Williams-Rowland	Brunswick Mayor Pro-Tem	PO Box 36 Brunswick, NC 28424	M: 872-3587	jwmsrowland@gmail.com	2017-18	
Columbus Municipal Alt.	Clarice Varen Faison	Fair Bluff Commissioner	PO Box 362 Fair Bluff, NC 28439	H: 649-5909 M: 212-8640	magic5@rsnet.org	2017-18	
Pender County 1	George Brown	Commissioner	361 Bridgeside Rd Rocky Point, NC 28457	M: 512-2732	gbrown@pendercountync.gov	2018-19	
Pender County 2	Fred McCoy	Commissioner	362 Harrells Rd Burgaw, NC 28425	H: 259-9349 M: 448-1651	fmccoy@embarqmail.com	2017-18	
Pender Municipal 1	Don Helms	Surf City Council Member	105 Bunchberry Ct Hampstead, NC 28443	H: 279-1133	shobbs@townofsurfcity.com donalddhelms47@yahoo.com	2017-18	
Pender Municipal 2	Robert Barnhill	St. Helena Mayor	115 Northwest Ave Burgaw, NC 28425	H: 259-5045	rbarnhill@ec.rr.com	2018-19	New Member
Pender Municipal Alt.	Teresa Batts	Surf City Council Member	PO Box 41111 Surf City, NC 28445	M: 620-0530	teresabatts04@gmail.com	2018-19	New Member
NC Board of Transp.	Grady Hunt	Board Member	P.O. Box 999 Pembroke, NC 28372	W: 521-3413	gljunt@ncdot.gov gradyh@ljhblaw.com	N/A	
NC Board of Transp. Alt.	Landon Zimmer	Board Member	1638 Country Club Rd Wilmington, NC 28403	763-4669	lgzimmer@ncdot.gov	NA	

Name in bold requests paper packet. Ethics status date indicates date State Ethics Commission evaluation letter received.

Cape Fear RPO

Brunswick County ❖ Columbus County
Pender County

Rural Transportation Advisory Committee November 17, 2017 Meeting Minutes **DRAFT**

Voting Members Present

George Brown, Pender County
JV Dove, Southport
Mike Forte, Brunswick County
Grady Hunt, NC Board of Transportation

Fred McCoy, Pender County
Frank Williams, Brunswick County
Jackie Williams-Rowland, Brunswick

Others Present

Karen Collette, NCDOT, Division 3
Alan Pytcher, NCDOT Division 3
Nazia Sarder, NCDOT TPB

Allen Serkin, Cape Fear RPO
Gideon Smith, Cape Fear COG

1. **Introduction and quorum** – Having reached a quorum, Mr. Williams called the meeting to order at 9:00 AM. The attendees introduced themselves.
2. **Invocation/Pledge of Allegiance** – Mr. Dove led the invocation and the Pledge of Allegiance.
3. **Ethics awareness and conflict of interest statement** – Mr. Williams read the statement to the RTAC. No conflicts of interest were raised and no members recused themselves from any votes.
4. **Changes or additions to the agenda** – No proposed changes or additions to the agenda were raised.
5. **Approval of the minutes** – *Mr. Forte made a motion to accept the minutes as presented, Ms. Williams-Rowland seconded the motion. The motion carried.*
6. **Public Comment** – There was no comment from the public.
7. **P5.0 Draft Local Input Methodology** – Mr. Serkin explained the requirements for the local input methodology and mentioned the minor adjustments that will be made. He noted that the methodology is nearly identical to previous year. Mr. Serkin outlined the updated dates for estimating the P5.0 timeline and expected meeting calendar. Mr. Serkin explained that the methodology will now have to follow a consistent format to ease comparisons between MPOs, RPOs, and Divisions for the public. Mr. Serkin noted that the draft is not final, but seeks the approval from the RTAC to submit the draft to NCDOT for conditional approval.

Mr. Serkin explained the scoring and project development points and noted that projects already in the STIP receive points to help ensure continued project development. He informed the RTAC that the top two scoring highway projects in each county will be eligible for 100 points each, the top three non-highway points will be eligible for 100 points each, and the remaining points cascade to the next highest scoring projects, all of which total to 1,300 points. Mr. Serkin requested approval to submit the P5.0 Draft Local Input Methodology to NCDOT with the presented revisions. *Mr. McCoy made a motion to approve the P5.0 Draft Local Input Methodology for submittal, Mr. Forte seconded the motion. The motioned carried.*

8. **Resolution Supporting Bicycle and Pedestrian Planning Grant** – Mr. Serkin informed the RTAC that the Town of Topsail Beach submitted the grant on November 10, 2017. He noted that the Town has submitted a Bicycle and Pedestrian Planning Grant several times in the past without success. To aid in receiving the grant, letters of support were written to give credence to the necessity of an NCDOT Bicycle and Pedestrian Planning Grant for the Town of Topsail Beach. Mr. Serkin informed the RTAC that the RTCC recommended the approval of the resolution supporting the application. *Mr. Brown made a motion to approve the resolution supporting the Town of Topsail Beach application for an NCDOT Bicycle and Pedestrian Planning Grant, Ms. Williams-Rowland seconded the motion. The motion carried.*
9. **Resolution Requesting Designation of Future I-74** – Mr. Serkin explained the resolution for the request and noted that the request is not for the construction of I-74, but a request to identify and provide signage for the route from US 74 from Whiteville to I-140 and I-140 from US 74 to US 17, designated as “Future I-74”. Mr. Serkin explained the resolutions that the Wilmington Urban Area Metropolitan Planning Organization (WMPO) and the Cape Fear Rural Transportation Organization (CFRPO) have adopted. Mr. Serkin informed the RTAC that the RTCC has recommended the approval of the resolution. *Mr. Brown made a motion to approve the resolution requesting that NCDOT designate portions of US 74 and I-140 as Future I-74, Ms. Williams-Rowland seconded the motion. The motion carried.*
10. **2018 Meeting Calendar** – Mr. Serkin explained that the RTAC typically meets quarterly, but with the P5.0 scores being released in early April, it would be beneficial to discuss the rankings and release them for public comment prior to final point assignments. Mr. Serkin informed the RTAC that the RTCC recommend the approval of the draft meeting calendar and requested a motion to accept. Mr. Brown requested to receive a copy of the calendar once it is adopted. *Mr. McCoy made a motion to accept the draft meeting calendar, Ms. Williams-Rowland seconded the motion. The motion carried.*
11. **2016-2017 RTAC Term Expirations** – Mr. Serkin reviewed the membership roster, highlighted the term expirations, and explained the appointment schedule. He explained that there needs to be two municipal representative per county and mayors nominate and select the two members. Mr. Serkin informed the RTAC that Mr. Maxwell is no longer eligible as the Brunswick Municipal 1 member. Mr. Serkin recommended Mr. Dove to take the Brunswick Municipal 1 seat due to frequent attendance as an alternate. Mr. Serkin mentioned that Mr. Brown’s seat is up for reappointment. He noted that the Columbus County Alternate and the Pender Municipal Alternate seats are vacant and the RTAC would be better served if

they are filled. Mr. Serkin will send out information on the vacancies and seats for reappointment to mayors and clerks of commissioners. Mr. Brown suggested to send notices to Town Clerks and Administrators.

12. **Calls for Special Studies** – Mr. Serkin explained that NCDOT annually solicits projects for study with FHWA State Planning and Research (SPR) funds. He explained that these studies previously required a 20% local match but have been decreased to 5% local match, with the State covering the 15% difference. Mr. Serkin mentioned that the proposals are typically due in the spring and recommended that members contact him if they have a study that should be considered. Mr. Serkin concluded by stating that legislation was established to create a new corridor studies unit, which will not need a local match. It was asked to send an email to members with examples of Special Studies.
13. **Reports/Updates** – Mr. Serkin explained the schedule for Prioritization 5.0 and noted that the submittal process is complete. Mr. Serkin gave an update on the Cape Fear Regional Bicycle Plan, the Columbus County CTP, and the Brunswick County CTP. The Cape Fear Regional Bicycle Plan is complete and has been a large success. The Columbus County CTP is continually being worked on even though there have been staffing changes. Mr. Pytcher gave the Division 3 update. There was not update from Division 6. Ms. Sarder gave the Transportation Planning Branch update. Ms. Sarder explained that Brunswick County is using a Travel Demand Model to assist with forecasting Annual Average Daily Traffic counts instead of trend line forecasting. She explained the Wilmington CTP amendment will begin in the next few months and the State Freight Plan was submitted to FHWA for review.
14. **Open Discussion:** Mr. Brown gave a special thanks to NCDOT on behalf of Pender County and informed them that they are extremely pleased with the current work being done and the improvement of their working relationship. Mr. Williams reminded members that annual elections will occur at the next meeting.
15. **Adjournment** – *There being no further discussion, Mr. Forte made a motion to adjourn, Mr. McCoy seconded the motion. The meeting was adjourned at 10:17 AM.*

Minutes prepared by Gideon Smith on November 17, 2017.

Cape Fear RPO

P5.0 Local Input Prioritization Methodology

NCDOT approval 1/3/2018

CFRPO RTAC approval ____/____/2018

INTRODUCTION

The Cape Fear RPO (CFRPO) is required by state law to develop a local input methodology for prioritizing all transportation projects (aviation, bicycle and pedestrian, ferry, highway, public transportation, and rail) within the RPO boundary that compete for state and federal funding, and to submit the methodology to the NC Dept. of Transportation for approval. This Local Input Prioritization Methodology applies within the Cape Fear RPO planning boundary, which includes the counties of Brunswick (partial), Columbus, and Pender (partial).

The RPO has developed this prioritization methodology in an effort to satisfy the quantitative, data-driven requirements of the STI (Strategic Transportation Investments) law while protecting the discretion of local officials by incorporating subjective, qualitative local input where possible. STI establishes a funding formula which allocates available revenues based on data-driven scoring and local input. It is used to develop NCDOT's State Transportation Improvement Program (STIP), which identifies the transportation projects that will receive funding during a specified 10-year period.

Transportation projects competing for funding through STI are divided into three tiers based on project characteristics as follows:

Statewide Mobility: Projects in this tier compete statewide. Eligible projects include:

- Interstate highways and designated future interstates, including I-40 and Future I-74;
- National Highway System highways and STRAHNET highways, including US 17, US 74 and US 76; and
- Freight capacity and safety improvements to Class I freight rail corridors, including the CSX rail line in Brunswick and Columbus counties and the abandoned Wallace-Castle Hayne line in Pender County.

Regional Impact: In the Cape Fear RPO region, projects in Brunswick and Pender counties compete in Region B with eligible projects throughout the 14 counties in NCDOT Divisions 2 and 3, including the cities of Wilmington, Jacksonville, Greenville, New Bern, Kinston, and Morehead City. Projects in Columbus County compete in Region C with eligible projects throughout the 12 counties in NCDOT Divisions 5 and 6, including the cities of Raleigh, Durham, Fayetteville, Cary, and Lumberton. Eligible projects include:

- Statewide Mobility projects not funded at the Statewide Mobility tier;

- US and NC highways not eligible at the Statewide Mobility tier, including US 117, US 421, US 701, US 17 Business, US 117 Business, US 701 Business, NC 11, NC 50, NC 53, NC 87, NC 130, NC 210, NC 211, NC 214, NC 410, NC 904, and NC 906; and
- The State-maintained ferry system, excluding passenger vessel replacement, including improvements and expansions to the Southport-Ft. Fisher ferry.

Division Needs: In the Cape Fear Region, projects in Brunswick and Pender counties compete with eligible projects throughout NCDOT Division 3, including the cities of Wilmington and Jacksonville. Projects in Columbus County compete with eligible projects throughout NCDOT Division 6, including the cities of Fayetteville and Lumberton. Eligible projects include:

- Statewide Mobility projects not funded at the Statewide Mobility or Regional Impact tiers and Regional Impact projects not funded at the Regional Impact tier;
- State-maintained secondary routes and federally-funded municipal road projects, including E Boiling Springs Rd, Gilbert Rd, Old Lake Rd, Hallsboro Rd, Shaw Hwy, Penderlea Hwy, and Malpass Corner Rd;
- General aviation airports, including Cape Fear Jetport (SUT) near Southport, Columbus County Airport (CPC) near Whiteville, and Henderson Field (ACZ) in northern Pender County;
- Community public transportation systems, including Brunswick Transit, Columbus Transportation, and PAS-TRAN;
- Standalone bicycle and pedestrian transportation projects, including sidewalks, bike lanes, and multi-use paths; and
- Replacement of ferry vessels, including those on the Southport-Ft. Fisher route.

This methodology describes the process by which the Cape Fear RPO evaluates transportation projects and assigns local input points to qualifying transportation projects according to local priorities. The Cape Fear RPO has 1300 local input points available for assignment to eligible projects at both the Regional Impact and Division Needs tiers. Projects may receive no more than 100 total points from local transportation planning organizations (MPOs and RPOs); therefore, the Cape Fear RPO will assign points to a minimum of 13 transportation projects at both tiers.

DESCRIPTION OF CRITERIA

The following scoring criteria will be used to generate a total project score for each CFRPO transportation project, regardless of mode. Each project will receive a total project score at the Regional Impact tier and/or Division Needs tier according to its eligibility.

1. **PRIORITIZATION 5.0 QUANTITATIVE SCORE (QUANTITATIVE):** The Cape Fear Area RPO believes that the Prioritization 5.0 Quantitative Score (“P5.0 Score”) is the best criterion to maximize the funding potential of the transportation projects in the RPO area. Projects that do not score well by the P5.0 Score will have difficulty competing for funding. The criterion is defined as the project’s P5.0 Score for the corresponding tier.
2. **DIVISION PRIORITY (QUALITATIVE):** Projects will not be competitive at the Regional Impact or Division Needs tier unless they have the support of the Division Engineer and rank well by the Division Engineer’s scoring criteria. The Cape Fear RPO will request that Division Engineers or their designees assign each project a HIGH, MEDIUM, LOW, or NONE priority classification for each tier at which the project competes. Division Engineers should assign priority classifications such that projects are distributed with an approximately equal number of projects in each classification. Projects will be given 100, 50, 25, or 0 points according to their classification. Where projects are located in both Divisions 3 and 6, Division Priority points will be allocated based on the share of the project in each division.
3. **COUNTY PRIORITY (QUALITATIVE):** Projects should have local support. County RTCC representatives are expected to collaborate with other county staff, county elected officials, staff and elected officials of municipalities within their boundaries, and other stakeholders representing county transportation modes or systems, as deemed appropriate by each county’s RTCC representative, to develop county priorities. Each county RTCC representative will assign every project within the county a HIGH, MEDIUM, LOW, or NONE priority classification for each tier at which the project competes. County RTCC representatives should assign priority classifications such that projects are distributed with an approximately equal number of projects in each classification. Projects will be given 100, 75, 50, and 0 points according to their classification. If a project is prioritized by more than one CFRPO county, it will be assigned the average of the points received.
4. **PROJECT DEVELOPMENT (QUALITATIVE):** Projects that have had significant planning or development activities completed are eligible for additional points to distinguish them from projects that are simply conceptual. Points will be given cumulatively to projects for each of the following criteria as indicated for a maximum of 100 points: a feasibility study has been completed or a corridor plan or other project-specific plan has been adopted [10 pts.]; preliminary design or engineering has begun [10 pts.]; project was programmed in a prior STIP or otherwise was in the development/merger process [10 pts.]; right-of-way attainment has begun, was previously completed, or is otherwise not expected to be required [10 pts.]; project sibling is funded in the current STIP or has been completed [20 pts.]; project is programmed in the current STIP [40 pts.].

TOTAL PROJECT SCORE AND RANKING APPROACH

Project rankings will be developed at each tier using the total project scores of eligible projects. Project scores will be calculated as follows:

Regional Impact tier score

$$\begin{aligned} &= (0.50 \times P5.0 \text{ Score for tier}) + (0.20 \times \text{Division Priority points for tier}) \\ &+ (0.20 \times \text{County Priority points for tier}) + (0.10 \times \text{Project Development points}) \end{aligned}$$

Division Needs tier score

$$\begin{aligned} &= (0.30 \times P5.0 \text{ Score for tier}) + (0.30 \times \text{Division Priority points for tier}) \\ &+ (0.30 \times \text{County Priority points for tier}) + (0.10 \times \text{Project Development points}) \end{aligned}$$

POINT ASSIGNMENT PROCESS

Preliminary Point Assignments: Preliminary points will be assigned at both the Regional Impact and Division Needs tiers based on the project ranking. Preliminary points may be assigned to any project eligible to receive points at the respective tier if it has not been fully funded at a higher tier. Preliminary point assignments will take into consideration the share of the project within the RPO and point sharing opportunities.

Any project that crosses the RPO boundary will be eligible for local input points in excess of the percentage of the project within the RPO boundary, up to 100 points, if the adjacent MPO/RPO provides less than their full share of points. Any project entirely beyond the RPO boundary will be eligible for up to 100 local input points to be shared with the adjacent MPO/RPO if the project has benefits to a primary route between the RPO area and major destinations outside of the RPO area. The Cape Fear RPO will endeavor to accept points shared by adjacent MPO/RPOs for projects crossing the RPO boundary that would otherwise not receive Cape Fear RPO points according to the point assignment process unless doing so is determined to jeopardize the funding potential of a higher priority Cape Fear RPO project. If points sharing is approved, both the Cape Fear RPO and the adjacent MPO/RPO must agree to the amount of points donated and provide this arrangement in writing to NCDOT's Office of Prioritization.

Preliminary points will be assigned until all 1300 available points are assigned at each tier as follows:

1. Top two scoring highway project in each RPO county will be eligible for 100 points each (600 points max).
2. Top three scoring non-highway projects will be eligible for 100 points each, regardless of non-highway mode or location (300 points max).
3. Remaining points cascade to next highest scoring projects, regardless of mode or locations, up to 100 points each.

Preliminary point assignments will be posted to the Cape Fear RPO website. If time permits, the RTCC will recommend and the RTAC will approve preliminary point assignments. Otherwise, the RPO staff will approve preliminary point assignments.

Final Point Assignments: Preliminary point assignments may be modified by the RTAC to provide local oversight to the data-driven process, to compensate for situations where the methodology does not accurately reflect the RTAC's priorities, and to ensure appropriate projects at the relevant tier. Justifications for modifying preliminary point assignments include project cost, point sharing arrangements, estimated points required for funding, geographic equity, modal distribution, new information, methodology failures, potential reconsideration of the limits of a programmed project, and public comment. The justifications for any final point assignments that deviate from published preliminary point assignments will, at minimum, be noted in the final point assignment worksheet and documented in the meeting minutes. In the event that projects receiving final point assignments become unexpectedly uncompetitive due to any last minute deviations in actual or expected point assignments by NCDOT Division Engineers or other transportation planning organizations (MPOs or RPOs), the RTAC delegates to its chair the power to modify final point assignments to maximize project competitiveness. Any such modification and accompanying justification will be noted in an amended final point assignment worksheet, which will be posted to the RPO website.

SCHEDULE

The following schedule is subject to change for a variety of reasons, many of which are beyond the control of the RPO. Any change to the schedule will be updated on the RPO website and in this document, which will be also available on the RPO website; however modification to the timeline will not require public notice or comment, nor adoption by the RTAC, nor approval by NCDOT.

1. Draft prioritization methodology will be developed by RPO staff. [Fall 2017]
2. Draft prioritization methodology will be submitted to the RTCC for recommendation and to the RTAC for preliminary approval. [November 2017]
3. Draft prioritization methodology will be revised as necessary to conform with NCDOT guidelines, posted to RPO website, and submitted to NCDOT for conditional approval. [December 2017]
4. Conditionally approved methodology will be recommended for final approval by the RTCC and approved by the RTAC. Approved methodology will be posted to the RPO website once approved by NCDOT and the RTAC. [February 2018]
5. RPO staff will determine **PROJECT DEVELOPMENT** points for all projects eligible to compete at the Regional Impact tier. [April/May 2018]

6. The RTCC representative from each RPO county will assign a **COUNTY PRIORITY** to each project within the county competing at the Regional Impact tier according to the Description of Criteria. [April/May 2018]
7. NCDOT Division Engineers will assign a **DIVISION PRIORITY** to each project competing at the Regional Impact tier according to the Description of Criteria. [April-May 2018]
8. RPO staff will discuss point sharing with staff of other MPO/RPOs. [April-May 2018]
9. Regional Impact project scores, rankings, and preliminary point assignments will be generated according to the Point Assignment Process. [May 2018]
10. RTCC will recommend and RTAC will make final Regional Impact point assignments at their June meetings. RTCC and RTAC meetings are public meetings where public comment on point assignments will specifically be sought. [June 2018]
11. Final Regional Impact tier point assignments will be entered into SPOT On!ine and posted to the CFRPO website. [June 2018]
12. RPO staff will determine **PROJECT DEVELOPMENT** points for all Division Needs tier projects. [August - September 2018]
13. The RTCC representative from each RPO county will assign a **COUNTY PRIORITY** to each project within the county competing at the Division Needs tier according to the Description of Criteria [August-September 2018].
14. NCDOT Division Engineers will assign a **DIVISION PRIORITY** to each project competing at the Division Needs tier according to the Description of Criteria. [August - September 2018]
15. RPO staff will discuss point sharing with staff of other MPO/RPOs. [September 2018]
16. Division Needs project scores, rankings, and preliminary point assignments will be generated according to the Point Assignment Process. [September 2018]
17. RTCC will recommend and RTAC will make final Division Needs point assignments at their October meetings. RTCC and RTAC meetings are public meetings where public comment on point assignments will specifically be sought. [October 2018]
18. Final Division Needs point assignments will be entered into SPOT On!ine and posted to the CFRPO website. [October 2018]

PUBLIC OUTREACH

This process is intended to be open and transparent. As such, all meetings of the RTCC and RTAC are open to the public and public comment is a recurring item on all meeting agendas. In addition, RTCC and RTAC meeting dates and, as available, agendas and minutes are available on the RPO website at <http://www.capefearrpo.org>. Relevant documents, including this methodology and preliminary and final point assignments, will also be posted for public review

at the RPO's website. Public comment is specifically sought on preliminary point assignments during the 30 days prior to final point assignment by the RTAC and during the public comment period for the RTAC meeting where final points are assigned, currently scheduled for June 22, 2018 for the Regional Impact tier and October 19, 2017 for the Division Needs tier. Meeting date changes and accompanying changes in public comment periods will be posted to the RPO website. Additionally, instructions for submitting public comments outside of official meetings will be provided on the RPO website. At minimum, comments may be submitted in person, by telephone, or via email. Comments will be collected by RPO staff and distributed to the RTCC and RTAC as part of their normal meeting materials.

MATERIAL SHARING

The following information, at minimum, will be made available on the Cape Fear RPO website:

- A link to the NCDOT STI Prioritization Resources website;
- The adopted Cape Fear RPO P5.0 Local Input Prioritization Methodology;
- Highlights of schedule milestones, including public comment periods and public meeting schedules; and
- Preliminary and final local input point assignment sheets, including justifications of methodology deviations.

APPROVED BY THE CAPE FEAR RPO TRANSPORTATION ADVISORY COMMITTEE
ON ____/____/201__

Frank Williams, Chair

Allen Serkin, Secretary

FY 2018-2019
PLANNING WORK PROGRAM
ANNUAL PROPOSED FUNDING SOURCES TABLE
Cape Fear Rural Transportation Planning Organization

TASK CODE	WORK CATEGORY	RPO PROGRAM FUNDS		
		LOCAL	STATE	TOTAL
		20%	80%	
I. DATA COLLECTION AND ASSESSMENT				
I-1	DATA COLLECTION AND ASSESSMENT	\$ 1,500	\$ 6,000	\$ 7,500
I-1.1	Highway			
I-1.2	Other Modes			
I-1.3	Socioeconomic			
I-1.4	Title VI			
II. TRANSPORTATION PLANNING				
II-1	COMPREHENSIVE TRANSPORTATION PLAN (CTP) DEVELOPMENT	\$ 1,400	\$ 5,600	\$ 7,000
II-1.1	Develop CTP Vision			
II-1.2	Conduct CTP Needs Assessment			
II-1.3	Analyze Alternatives and Environmental Screening			
II-1.4	Develop Final Plan			
II-1.5	Adopt Plan			
II-2	PRIORITIZATION	\$ 2,900	\$ 11,600	\$ 14,500
II-2.1	Project Prioritization			
II-3	PROGRAM AND PROJECT DEVELOPMENT	\$ 800	\$ 3,200	\$ 4,000
II-3.1	STIP Participation			
II-3.2	Merger / Project Development			
II-4	GENERAL TRANSPORTATION PLANNING	\$ 5,600	\$ 22,400	\$ 28,000
II-4.1	Regional and Statewide Planning			
II-4.2	Special Studies, Projects and Other Trainings			
III. ADMINISTRATION OF TRANSPORTATION PLANNING AND POLICIES				
III-1	ADMINISTRATIVE ACTIVITIES	\$ 4,000	\$ 16,000	\$ 20,000
III-1.1	Administrative Documents			
III-1.2	TCC / TAC Work Facilitation; Ethics Compliance			
III-1.3	Program Administration			
IV. DIRECT COSTS				
IV-1	PROGRAMMATIC DIRECT CHARGES	\$ 2,759	\$ 11,036	\$ 13,795
IV-1.1	Program-wide Direct Costs			
IV-2	ADVERTISING	\$ 200	\$ 800	\$ 1,000
IV-2.1	News Media Ads			
IV-3	LODGING, MEALS, INCIDENTALS	\$ 300	\$ 1,200	\$ 1,500
IV-3.1	Hotel Costs			
IV-3.2	Meal Costs			
IV-3.3	Incidentals			
IV-4	POSTAGE	\$ 20	\$ 80	\$ 100
IV-4.1	Mailings			
IV-5	REGISTRATION / TRAINING	\$ 200	\$ 800	\$ 1,000
IV-5.1	Conference Registration			
IV-5.2	Meeting / Workshop / Training Fees			
IV-6	TRAVEL	\$ 1,000	\$ 4,000	\$ 5,000
IV-6.1	Mileage Reimbursement			
IV-6.2	Car Rental Costs			
IV-6.3	Other Travel Expenses			
V. INDIRECT COSTS				
V-1	INDIRECT COSTS APPROVED BY NCDOT FY 18-19	\$ 5,915	\$ 23,658	\$ 29,573
V-1.1	Incurred Indirect Costs			
TOTAL		\$ 26,594	\$ 106,374	\$ 132,968

**FY 2018-2019
PLANNING WORK PROGRAM
Narrative
Cape Fear Rural Transportation Planning Organization**

I. DATA COLLECTION AND ASSESSMENT

I-1 DATA COLLECTION AND ASSESSMENT **\$ 7,500.00**

I-1.1 Highway	Collection, analysis, and mapping of highway-related data, including the CFRPO traffic counting program, signalized intersections, etc.
I-1.2 Other Modes	Collection, analysis, and mapping of non-highway-related data, etc.
I-1.3 Socioeconomic	Collection, analysis, and mapping of demographic, socioeconomic, land use, and environmental data, including existing and future land use, zoning, employment, commuting, travel preference data; etc.
I-1.4 Title VI	Collection, analysis, and mapping of demographic data related to Title VI compliance, including minority, poverty, age 65+, English proficiency, vehicle access; etc.

II. TRANSPORTATION PLANNING

II-1 COMPREHENSIVE TRANSPORTATION PLAN (CTP) DEVELOPMENT **\$ 7,000.00**

II-1.1 Develop CTP Vision	Study setup and coordination for the Brunswick Co. CTP, including Community Understanding Report, meeting coordination, developing CTP vision/goals/objectives, public engagement prior to final adoption, etc.
II-1.2 Conduct CTP Needs Assessment	Review and analyze Brunswick Co. CTP data and transportation deficiencies; develop project and program alternatives and recommendations; ensure recommendations are developed to achieve all components of CTP vision/goals/objectives; etc.
II-1.3 Analyze Alternatives and Environmental Screening	Review and analyze project and program alternatives against community vision/goals/objectives, natural and human environmental constraints, fiscal reality, funding and maintenance concerns, etc.
II-1.4 Develop Final Plan	Develop and review final written, graphic, and mapping products for the Brunswick Co. CTP
II-1.5 Adopt Plan	Coordinate meetings, develop and review presentations, attend public hearings and other meetings, etc. related to final plan adoption

II-2 PRIORITIZATION **\$ 14,500.00**

II-2.1 Project Prioritization	Duties and responsibilities related to implementing STI and other local project prioritization activities
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II-3 PROGRAM AND PROJECT DEVELOPMENT **\$ 4,000.00**

II-3.1 STIP Participation	Duties and responsibilities related to reviewing and commenting on STIP additions, modifications, and deletions, other correspondence with STIP unit, etc.
II-3.2 Merger / Project Development	Review and comment on Merger and other project development documents and attend Merger and other project development meetings

II-4 GENERAL TRANSPORTATION PLANNING **\$ 28,000.00**

II-4.1 Regional and Statewide Planning	Participate in a regional and statewide planning activities, including Wilmington MPO TCC, GSATS TCC, Brunswick Transit TAB, Columbus County Transportation TAB, PAS-TRAN TAB, East Coast Greenway Alliance, Mountains-to-Sea Trail, NC Association of RPOs, APA-NC, NCDOT TPD committees, Eastern NC MPO/RPO Coalition, etc.; Conduct TRC reviews; review local/regional/statewide news related to transportation, land use, demographics, socioeconomics, and economic activity
II-4.2 Special Studies, Projects and Other Trainings	

Update transit LCPs, as needed; Topsail Beach bicycle & pedestrian plan; other special studies or plans as requested or approved by the RTAC; transportation- and GIS- related training, including NCAMPO conference, APA-NC conference, NCAUG fall conference (if held at Carolina Beach, as usual), etc.

III. ADMINISTRATION OF TRANSPORTATION PLANNING AND POLICIES

III-1 ADMINISTRATIVE ACTIVITIES \$ 20,000.00

III-1.1 Administrative Documents

Preparation or Planning Work Plan, PWP amendments, indirect cost allocation plan, quarterly invoices and reimbursement documentation; update of RTCC/RTAC bylaws, RPO MOU, or LPA funding agreement, as necessary

III-1.2 TCC / TAC Work Facilitation; Ethics Compliance

Conduct/attend RTCC/RTAC meetings, including preparation of meeting announcements, agendas, packets, minutes, etc.; coordinate RTCC/RTAC appointments/elections; develop RTCC/RTAC rosters and meeting schedules; ensure RTAC ethics compliance; etc.

III-1.3 Program Administration

Develop, update, or implement Public Involvement Plan, Title VI Plan, etc.; maintain and update website and public notice distribution lists; collect and review public comments; ensure program compliance; etc.

IV. DIRECT COSTS

IV-1 PROGRAMMATIC DIRECT CHARGES \$ 13,795.00

IV-1.1 Program-wide Direct Costs

Direct costs including audit, phone and internet, copies and printing, dues and subscriptions, equipment and supplies, insurance, building rent and maintenance, professional services, computer and information technology, etc.

IV-2 ADVERTISING \$ 1,000.00

IV-2.1 News Media Ads

Public notice advertisements

IV-3 LODGING, MEALS, INCIDENTALS \$ 1,500.00

IV-3.1 Hotel Costs

Lodging costs for overnight program and training activities, including NCMPPO conference, APA-NC conference, and NCARPO quarterly meetings

IV-3.2 Meal Costs

Overnight travel-related meal per-diems

IV-3.3 Incidentals

Overnight travel-related incidentals, including tips

IV-4 POSTAGE \$ 100.00

IV-4.1 Mailings

Postage for RTAC packets and other mailings

IV-5 REGISTRATION / TRAINING \$ 1,000.00

IV-5.1 Conference Registration

Conference registration fees for NCAMPO, APA-NC, etc.

IV-5.2 Meeting / Workshop / Training Fees

Meeting, workshop, and training fees, etc.

IV-6 TRAVEL \$ 5,000.00

IV-6.1 Mileage Reimbursement

Mileage reimbursement

IV-6.2 Car Rental Costs

Car rental costs

IV-6.3 Other Travel Expenses

Parking costs and other transportation expenses

V. INDIRECT COSTS

V-1 INDIRECT COSTS APPROVED BY COGNIZANT AGENCY FY 18-19 \$ 29,573.00

V-1.1 Incurred Indirect Costs

Indirect costs per NCDOT-approved indirect cost allocation plan

TOTAL \$ 132,968.00

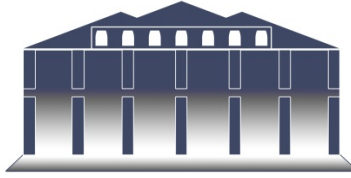
Reducing Off-Season Crossings, Adjusting Fares, and Using Partnerships Can Improve Ferry Division Efficiency



**Final Report to the Joint Legislative
Program Evaluation Oversight Committee**

Report Number 2017-09

October 1, 2017



Program Evaluation Division
North Carolina General Assembly
Legislative Office Building, Suite 100
300 North Salisbury Street
Raleigh, NC 27603-5925
919-301-1404
www.ncleg.net/PED

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NORTH CAROLINA GENERAL ASSEMBLY

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Tel. 919-301-1404 Fax 919-301-1406

John W. Turcotte
Director

October 1, 2017

Members of the Joint Legislative Program Evaluation Oversight Committee

North Carolina General Assembly
Legislative Building
16 West Jones Street
Raleigh, NC 27601

Honorable Members:

The Joint Legislative Program Evaluation Oversight Committee's 2015–17 Work Plan directed the Program Evaluation Division to review the ferry system with a focus on operations, savings, and fee structure optimization.

I am pleased to report that the Department of Transportation cooperated with us fully and was at all times courteous to our evaluators during the evaluation.

Sincerely,

A handwritten signature in black ink, appearing to read "J. W. Turcotte".

John W. Turcotte
Director



PROGRAM EVALUATION DIVISION

NORTH CAROLINA GENERAL ASSEMBLY

October 2017

Report No. 2017-09

Reducing Off-Season Crossings, Adjusting Fares, and Using Partnerships Can Improve Ferry Division Efficiency

Summary

The North Carolina Department of Transportation's (DOT's) Ferry Division is responsible for providing safe, cost-effective, and dependable service for local residents and visitors. The Joint Legislative Program Evaluation Oversight Committee's 2015–17 Work Plan directed the Program Evaluation Division to review the ferry system with a focus on operations, savings, and fee structure optimization.

The Ferry Division can save over \$1.5 million annually by reducing the number of crossings on routes during periods of lower use. Tourist routes represent good candidates for reductions because they have greater variability in ridership than commuter routes.

Annual fare collections on currently tolled routes can be increased by \$1.7 million without adversely affecting area commuters. Vehicle fare increases would not adversely affect area residents who use ferry services to commute to and from work and school because of the availability of an annual commuter pass.

Using partnerships with other government entities and the private sector can reduce state funding requirements and improve the effectiveness of the ferry system. The current passenger-only initiative for the Hatteras-Ocracoke ferry route is an example of a partnership with a local government entity.

Development of a long-range plan provides an opportunity to take a systematic approach to identifying the most cost-effective contribution of ferry transportation services toward achievement of the mission of DOT and state strategic transportation goals. The plan should be based on a long-range forecast of the region's transportation needs and an assessment of future funding availability.

To address these findings, the General Assembly should amend state law to direct DOT to:

- produce a long-range plan for the ferry transportation system to include consideration of alternative pricing structures to achieve appropriate levels of operating cost recovery from vehicle and passenger fares;
- apply for a grant from the Golden LEAF Foundation for necessary support services; and
- evaluate the schedule of crossings for each ferry route to ensure services cost-effectively meet the needs of both area residents and tourists.

Purpose and Scope

The Joint Legislative Program Evaluation Oversight Committee's 2015–17 Work Plan directed the Program Evaluation Division to review the ferry system with a focus on operations, savings, and fee structure optimization. Four central research questions guided the study:

1. Are Ferry Division activities and operations performed efficiently and effectively?
2. What is the most appropriate governance structure for the Ferry Division?
3. Does the current funding structure ensure the Ferry Division is cost-effectively using available resources?
4. How can the Ferry Division increase its contribution to the achievement of DOT's strategic goals?

The Program Evaluation Division collected data from several sources, including

- a review of laws and policies guiding the Ferry Division,
- interviews and queries of Ferry Division managers,
- information regarding sources and uses of funding for the Ferry Division,
- workshops with Ferry Division stakeholders,
- available performance measures for Ferry Division activities, and
- comparable performance measures (if available) of other publicly-owned ferry systems in North America.

Background

The mission of the North Carolina Department of Transportation (DOT) is to connect people, products, and places safely and efficiently with customer focus, accountability, and environmental sensitivity to enhance the economy and vitality of North Carolina. To achieve this mission, DOT has established the following strategic goals:

- **Increase transportation safety.** Make transportation safer by reducing fatalities, severe injuries, and crashes across the entire transportation network.
- **Provide great customer service.** Provide efficient options to access information and services, educate employees and the public about the department, and improve the delivery of all services.
- **Cost-effectively deliver and maintain the transportation infrastructure.** Improve program and project delivery across all transportation modes, optimize use of available resources to strengthen infrastructure, and strategically improve infrastructure to meet existing and future needs.
- **Improve reliability and connectivity of the transportation system.** Operate dependable connections among major hubs and destinations across the state and improve connectivity within and between all modes of transportation.
- **Promote economic growth.** Improve the reliability of all modes of the transportation network, increase access to key infrastructure (such as interstates, airports, rail, ports, etc.), and reduce business costs (for transportation purposes).

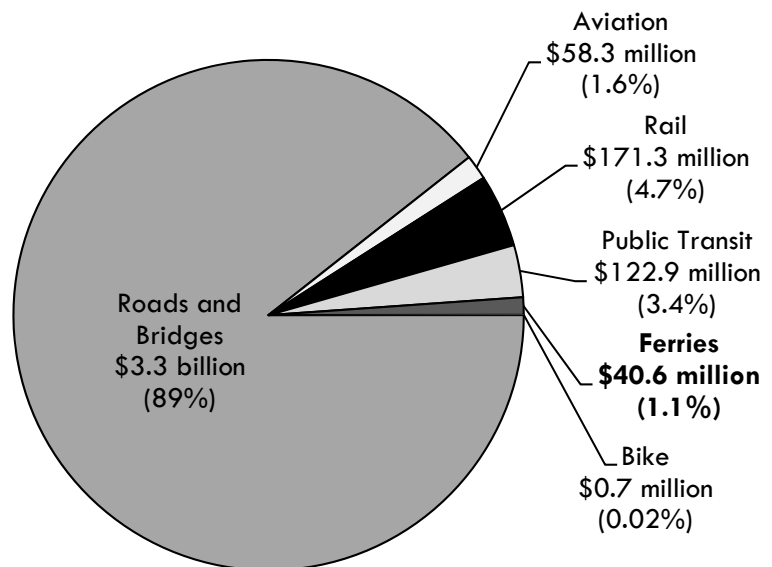
- **Make the organization a great place to work.** Provide fair compensation, prevent employee injuries, and improve employee satisfaction and engagement.

In Fiscal Year 2015–16, DOT allocated \$40.6 million for the ferry transportation system, which represented approximately 1% of total funding used to directly support the State's transportation network. Of the \$4.4 billion appropriated to DOT in Fiscal Year 2015–16, approximately \$3.7 billion (83%) was used to directly support state transportation systems.¹

As shown in Exhibit 1, nearly 90% of this \$3.7 billion was used to build and maintain roads and bridges. The next largest transportation systems are the State's rail and public transportation systems, with Fiscal Year 2015–16 appropriations of \$171.3 million and \$122.9 million, respectively. The \$40.6 million appropriated for the ferry system represents 1.1% of the funding that directly supported transportation. Funding to build and maintain the State's transportation system comes from several sources. In Fiscal Year 2015–16, approximately \$3.2 billion (73%) of transportation funding came from state revenues with the remaining \$1.2 billion (27%) coming from federal funds.²

Exhibit 1

DOT Appropriations to the Ferry Transportation System in Fiscal Year 2015–16 (\$40.6 Million) Represented Approximately 1% of Total Funding for the State's Transportation Network



Source: Program Evaluation Division based on information provided by the Ferry Division.

The Ferry Division contributes to the achievement of DOT's strategic goals by providing safe, cost-effective, and dependable ferry service for local

¹ The \$736 million in appropriated funding not directly attributable to providing transportation services was designated for transfers to the State Ports Authority (\$35 million), other agencies (\$12.3 million), and municipal aid (\$147.5 million) as well as for debt service (\$197.6 million) and administrative services and other expenses (\$344 million). Appropriations for each of the identified transportation services, as well as the appropriated funding not directly attributable to providing transportation services, excludes receipt-supported funding of \$100 million.

² State funding source categories were Motor Fuel Tax (\$1.8 billion), Highway Use Tax (\$659.8 million), DMV registrations (\$468.5 million), Licenses (\$127.1 million), and Title Fees and Other (\$194 million). Federal funding sources include federal grants and ARRA funds (\$215.9 million).

residents and visitors. The services provided by the Ferry Division are used for a variety of reasons. Many coastal residents use the ferry as public transportation for their daily commute to and from work or school, both for themselves and their vehicles. Both visitors and local residents use the system for travel to and from vacation destinations. The ferries also serve important community service and public safety roles by providing emergency services and a means of emergency evacuation to residents and visitors. For some residents of islands on the Outer Banks such as Ocracoke Island, the ferry system provides the only system for public transportation on and off the islands.

North Carolina's Ferry Division operates one of the largest publicly-owned ferry systems in North America. As shown in Exhibit 2, the Ferry Division employs 13 terminals and 21 ferry boats to provide services for 7 routes across eastern North Carolina.³ In Fiscal Year 2015–16, the Ferry Division used these routes to transport 801,256 vehicles and 1.9 million passengers. Appendix A provides a detailed description of each of these seven ferry routes.

³ During Fiscal Year 2015–16, the Sound Class ferry boat, Pamlico, was sold, reducing the fleet of ferry boats from 22 to 21.

Exhibit 2: In Fiscal Year 2015–16, the Ferry System Operated Seven Scheduled Routes



Source: Program Evaluation Division based on information provided by the Ferry Division.

The Ferry Division also operates support vessels—three tugs, four barges, and a dredge. These support vessels are responsible for maintaining the state navigation channels at the 13 ferry terminals as well as maintaining the terminal and shipyard pilings and docks and assisting disabled ferries. Each of the three tugs (Albemarle, Buxton Jr., and Dare) as well as three of the four barges (NC-1, NC-2, and NC-3) are more than 35 years old. The Ferry Division reported most of these vessels require replacement or extensive refurbishment. Exceptions include the dredge Manteo, which replaced dredge Carolina and was commissioned in April 2016 at a cost of \$7.7 million, and the Skyco barge, which was built in 2008. Exhibit 3 illustrates the physical assets operated by the Ferry Division.

Exhibit 3: Physical Assets Operated by the Ferry Division

Asset		Count
Ferries		21
Terminals		13
Tugs		3
Barges		4
Dredge		1

Source: Program Evaluation Division based on information provided by the Ferry Division. Ferry photo provided by Ocracoke Civic & Business Association.

In addition, the Ferry Division is responsible for the North Carolina State Shipyard. The shipyard, which is located on 17.2 acres in Manns Harbor, is the largest state-owned and state-operated shipyard in the United States. All 21 ferries as well as the support vessels are repaired at this facility. The shipyard has its own electrical generating power plant and water system and can function around the clock in any weather conditions. The shipyard is also capable of conducting all maintenance, from basic dry docking to making any repairs required to meet United States Coast Guard regulations. In addition, a vessel can be painted from top to bottom at the facility.

In Fiscal Year 2015–16, the Ferry Division spent \$40.9 million and was authorized 464 full-time equivalent positions. These resources were all derived from the Highway Fund.

In summary, the Ferry Division of the Department of Transportation operates and maintains one of the largest ferry systems in North America. In addition to having responsibility for safe and effective operation of seven routes spanning the North Carolina seaboard, the Ferry Division is responsible for managing the largest state-owned and state-operated shipyard in the United States. The Joint Legislative Program Evaluation Oversight Committee tasked the Program Evaluation Division with determining what actions the Ferry Division could take to more efficiently and effectively provide its services.

Findings

Finding 1. The Ferry Division can save more than \$1.5 million annually by reducing the number of crossings on routes during periods with lower use.

In Fiscal Year 2015–16, the Ferry Division used separate schedules for each route in order to most cost-effectively meet the needs of both visitors and area residents. Visitors to the region generally use ferry services to get to and from vacation destinations. Consequently, visitors using a ferry route can be expected to use this service only a few times per year.

Conversely, area residents use ferry services for a variety of reasons. For example, the Aurora-Bayview ferry route is primarily used for commuting, whereas the Currituck-Knotts Island route is extensively used both for commuting and recreation. Frequency of patronage by area residents depends on their reasons for using the ferry service and can vary from near-daily commuting to only a handful of usages per year for discretionary reasons such as recreational travel.

To help ensure the cost-effective use of state funds, the Ferry Division uses varying schedules to accommodate changes in seasonal demand. For example, the Hatteras-Ocracoke ferry route typically experiences pronounced seasonal ridership variations as a consequence of heavy summer tourist use. In response, the schedule for this route varies in terms of the number of crossings, ranging from 36 crossings during winter to 72 crossings during the peak season of summer. For some routes, the Ferry Division also includes a “transitional” schedule to accommodate additional ferry demand during holidays such as Easter weekend when tourists have historically visited coastal areas in large numbers.

The Ferry Division lacks adequate activity cost information to assess whether the State is using its resources efficiently and effectively.

Specifically, the performance measures used by the Department of Transportation in Fiscal Year 2015–16 did not include costs to perform operational activities. An effective performance management system that includes the cost and number of outputs produced by each applicable activity can provide useful information for assessing whether the State is using its resources efficiently and effectively. The Governor, legislators, and the public can use performance information to help determine whether each state agency-administered program is improving its efficiency over time, compare the effectiveness of similar services among agencies and private providers, and make decisions regarding the most cost-effective use of available resources to accomplish statewide goals and objectives.

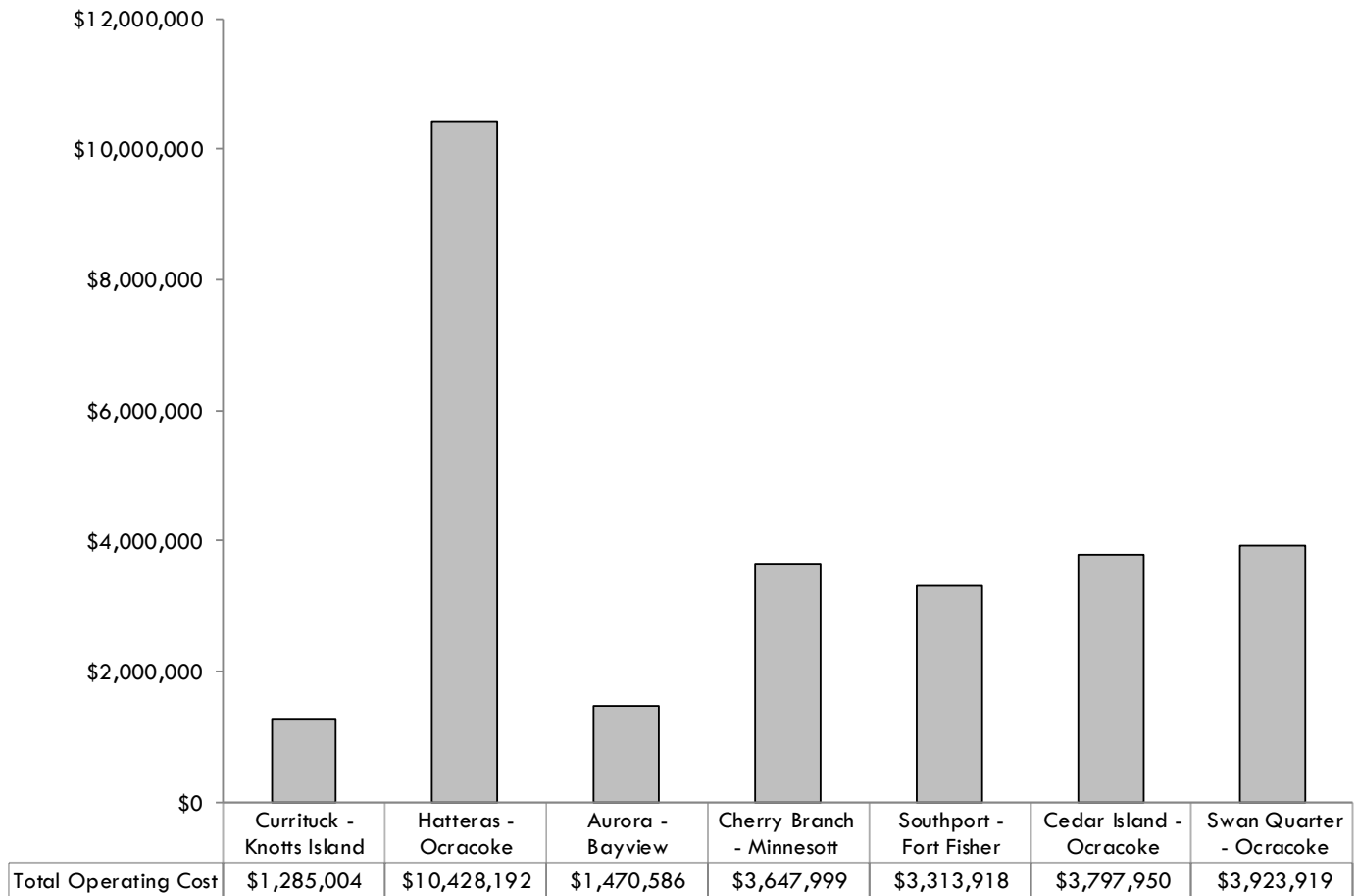
The Program Evaluation Division used data provided by the Ferry Division to determine the cost of each of the four identified activities associated with the operation and maintenance of each ferry route in Fiscal Year 2015–16. These four activities were

- **Ferry boat operations.** This activity captures ferry boat use for transporting vehicles and passengers on each of the seven scheduled routes. In addition to the cost of fuel and crew labor, ferry boat operations include costs associated with the maintenance and repair of each boat.
- **Terminal operations.** Each ferry route has a terminal at each end of the route.⁴ Operating costs include the cost of the personnel assigned to each of the 13 ferry terminals as well as associated maintenance and material costs.
- **Dock maintenance and repair.** This operational activity is responsible for ensuring the docks and associated equipment provide for the safe operation of each route. Operating costs include labor and material costs to maintain dock and pilings.
- **Dredging operations.** The dredging operation activity contributes to the State's transportation goals by helping ensure that the waterway channels are deep and wide enough for safe operation. This responsibility is currently shared between DOT and the Army Corps of Engineers. Costs are only associated with the dredging conducted by the Ferry Division for each of the support vessels.

In Fiscal Year 2015–16, costs to operate each of the seven scheduled ferry routes varied with the Hatteras-Ocracoke route requiring the greatest cost. Variations in operating costs are associated with the number of daily crossings and the length of routes. For example, as shown in Exhibit 4, the Hatteras-Ocracoke route had the highest annual operating cost of the seven scheduled routes in Fiscal Year 2015–16. During peak demand periods, the Ferry Division assigned up to eight ferry boats to the route. This concentration of resources, coupled with the recent requirement to use a longer route with a one-hour transit time, resulted in operating costs for Hatteras-Ocracoke that were more than twice as large as operating costs of any of the other routes.

⁴ The Swan Quarter-Ocracoke and Cedar Island-Ocracoke ferry routes both use the Silver Lake terminal at the Ocracoke end of their routes.

Exhibit 4: Operating Costs for the Hatteras-Ocracoke Route Were More Than Twice as Large as Those of Any Other Route in Fiscal Year 2015–16

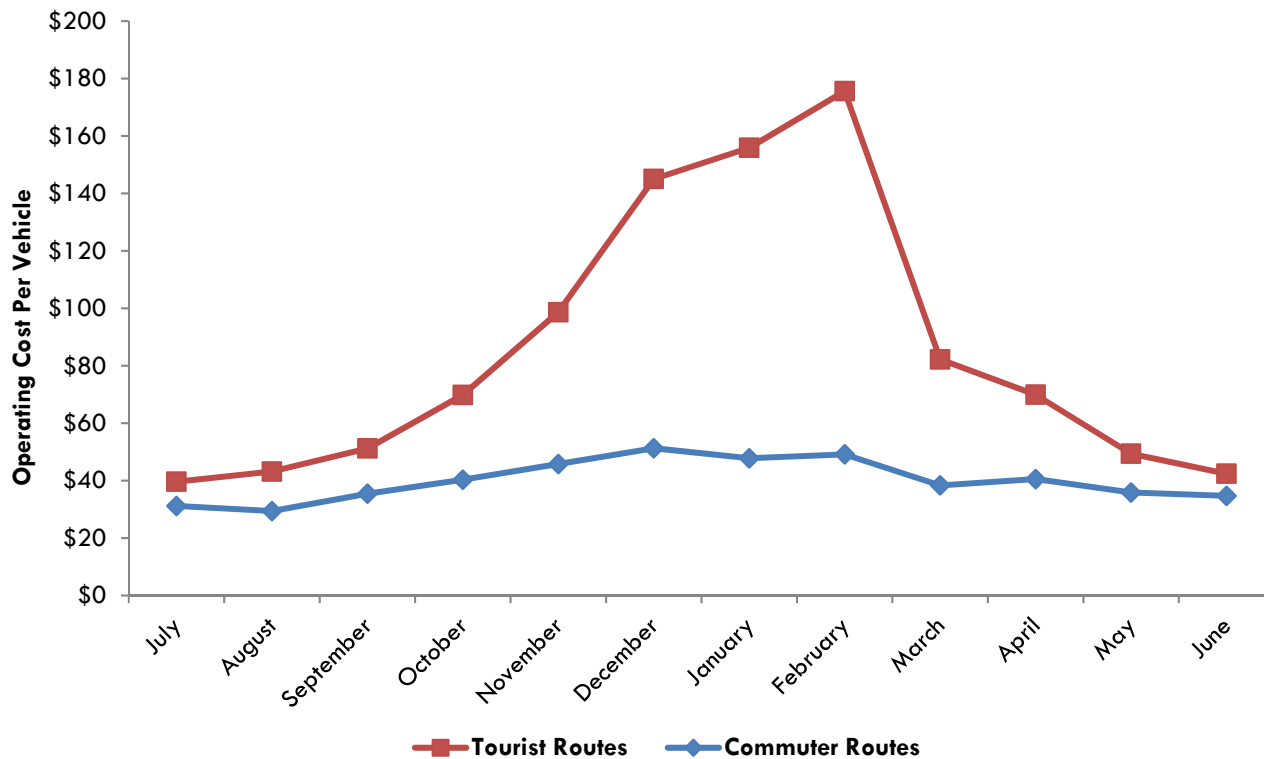


Note: Operating costs include labor (terminal and vessel), fuel, maintenance (terminal, vessel, and docks), and dredging. Costs related to system executive management and system-wide administrative activities were not included.

Source: Program Evaluation Division based on information provided by the Ferry Division.

Seasonal use differences contributed to variations in average per vehicle operating costs. Average operating cost per vehicle is dependent on the number of vehicles transported during each crossing. As shown in Exhibit 5, tourist-oriented routes—the three routes serving Ocracoke Island and the Southport-Fort Fisher route—had more variation in use than the other three routes. Because both Ocracoke Island and the area around the Southpoint-Fort Fisher route serve as summer vacation destinations, these routes experienced wider fluctuations in demand. Consequently, periods of low demand in the winter have contributed to an overall higher average cost per vehicle for these routes. Appendix A depicts the variation in utilization rates for each of the seven ferry routes in Fiscal Year 2015–16.

Exhibit 5: Routes Primarily Serving Tourists Had the Highest Variation in Operating Cost Per Vehicle Transported in Fiscal Year 2015–16



Note: Tourist Routes are all Ocracoke routes (Cedar Island, Swan Quarter, and Hatteras) and the Southport-Fort Fisher route due to its relatively high increase in summer ridership. Commuter Routes are Currituck-Knotts Island, Aurora-Bayview, and Cherry Branch-Minnesott.

Source: Program Evaluation Division based on information provided by the Ferry Division.

The Ferry Division can save more than \$1.5 million annually by reducing the number of crossings on routes during months with lower use. The Program Evaluation Division (PED) determined that operating costs can be reduced on routes with periods of lower use without adversely affecting area visitation or the ability of the Ferry Division to meet the needs of area residents.

As shown in Exhibit 6, PED identified the monthly vehicle utilization rate for each of the seven scheduled routes during Fiscal Year 2015–16. The vehicle utilization rate was calculated by dividing the number of vehicles transported on the route by the total capacity of all route crossings conducted during the month.

To demonstrate the potential efficiencies that can be achieved, PED identified low monthly utilization rates as occurring when the number of vehicles using the route was less than or equal to 45% of the monthly route capacity. For these months, PED then identified the number of crossings that could be reduced while continuing to meet the estimated demand for services. In no instance was the number of crossings reduced by more than 33% of the original number of crossings scheduled for the applicable month in Fiscal Year 2015–16.

Exhibit 6: The Ferry Division Can Realize Over \$1.5 Million in Annual Cost Savings by Reducing the Number of Crossings on Routes During Periods With Lower Use

Route	Number of Months With Low Average Utilization Rate (45% Or Less)	Number of Scheduled Daily Crossings (FY 2015–16)	Example Reduction in Daily Crossings – Low Utilization Months Only	Total Estimated Annual Savings
Currituck - Knotts Island	12	10-12	4	\$ 44,617
Hatteras - Ocracoke	6	36	12	953,419
Aurora - Bayview	0	14	0	0
Cherry Branch - Minnesott	9	54	18	182,508
Southport - Fort Fisher	3	28	9	91,314
Cedar Island - Ocracoke	5	6	2	123,863
Swan Quarter - Ocracoke	6	6	2	167,078
Total Savings (All Routes)				\$1,518,799

Note: Total annual savings for each route are calculated by adding monthly savings for each month with low utilization. The number of months of low utilization varies among routes. Monthly savings vary due to differences in the number of days in calendar months.

Source: Program Evaluation Division based on information provided by the Ferry Division.

PED calculated annual savings by multiplying the variable cost associated with each applicable crossing, which only included prorated fuel and maintenance costs, by the number of proposed crossing reductions in the month. In addition, for the Hatteras-Ocracoke route, which has eight assigned ferry boats, PED included savings associated with the ability to remove ferry boats from service while meeting proposed crossing requirements. Savings associated with the temporary removal of ferry boats from service includes reductions in labor costs to operate those boats.

The Ferry Division uses temporary or part-time positions to more efficiently meet the increased peak-season crossing requirements of affected ferry routes. In Fiscal Year 2015–16, there were 467 positions designated to a scheduled ferry route. These positions included 298 full-time positions with another 169 positions designated as temporary or part-time. As a result, the Ferry Division is better equipped to achieve reductions in labor costs by reducing the number of assigned ferry routes during periods of lower use.

This analysis demonstrates the potential cost savings gained from a more cost-effective use of available resources. However, due to a lack of available information, it does not include all necessary factors that should be considered. For example, because usage rates for each daily crossing were not provided, PED was unable to consider which daily crossing(s) should be eliminated or the associated impact on the public. Consequently, further analysis should be conducted prior to implementing any changes to the number of scheduled crossings for each applicable route.

In summary, the cost to operate and maintain each ferry route varies. Variation in operating cost is due in part to the length of the crossing and the number of scheduled crossings for each route. In addition, the average cost per vehicle varies among ferry routes, with routes providing service to vacation destinations having greater monthly variability. The Ferry Division

can reduce its system-wide operating costs by reducing the number of crossings for certain routes during periods of low utilization.

Finding 2. The Ferry Division can increase revenue from annual fare collections by \$1.7 million on its currently tolled routes without adversely impacting area commuters.

In Fiscal Year 2015–16 the Ferry Division collected fares from three tolled ferry routes. These routes were

- Southpoint-Fort Fisher
- Cedar Island-Ocracoke, and
- Swan Quarter-Ocracoke.

In Fiscal Year 2015–16, fares ranged from \$1 to \$45 per crossing depending on the route and passenger/vehicle characteristics. For example, the fare for a vehicle of less than 20 feet was \$15 for both the Cedar Island-Ocracoke and Swan Quarter-Ocracoke ferry routes, whereas the fare for this type of vehicle was \$5 for the Southpoint-Fort Fisher route.⁵

In addition, the Ferry Division fare structure for Fiscal Year 2015–16 included an annual commuter pass that costs \$150 for most vehicles and allows for unlimited use of all three of the tolled ferries for the designated vehicle.⁶ As shown in Exhibit 7, based on this fare structure the Ferry Division collected \$2.3 million from tolled ferry routes in Fiscal Year 2015–16. These revenues included fares generated from the sale of 799 annual commuter passes.

Exhibit 7

In Fiscal Year 2015–16,
DOT Collected \$2.3 Million
in Fares From Its Three
Tolled Ferry Routes

Route	Fare Collections
Southport-Fort Fisher	\$ 843,889
Cedar Island-Ocracoke	728,439
Swan Quarter-Ocracoke	632,333
System-Wide Commuter Passes	126,950
Total	\$2,331,611

Source: Program Evaluation Division based on information provided by the Ferry Division.

In Fiscal Year 2015–16, receipts from fares supported only 6% of Ferry Division expenditures. Farebox recovery ratio represents the ratio of fare revenue to operating expenditures. It measures the extent to which users provide revenue to support services they use. Farebox recovery should be considered separately for privately-owned and publicly-owned ferry systems due to their different purposes. Whereas the main purpose of

⁵ For the Cedar Island-Ocracoke and Swan Quarter-Ocracoke routes, one-way fares are \$30 for a vehicle and/or combination that is 20 to 40 feet in length and \$45 for a vehicle and/or combination that is 40 to 65 feet in length. For the Southport-Fort Fisher route, one-way fares are \$10 for a vehicle and/or combination 20 to 40 feet in length and \$15 for a vehicle and/or combination 40 to 65 feet in length.

⁶ The price for an annual commuter pass is \$150 for a vehicle and/or combination up to 20 feet in length; \$200 for a vehicle and/or combination that is 20 to 40 feet in length; and \$250 for a vehicle and/or combination that is 40 to 65 feet in length.

private systems is to generate revenue, publicly-owned systems also operate as a public good as part of the transportation network.

As shown in Exhibit 8, based on the results of a study conducted by the Washington State Department of Transportation, in Fiscal Year 2012–13 the Ferry Division had one of the lowest percentages of operating expenditures covered by fare revenue of any major publicly-owned ferry system in North America.⁷ Specifically, with the exception of the Staten Island Ferry System, which is a free passenger-only ferry service connecting Staten Island and Manhattan, the Ferry Division is the only major publicly-owned ferry system with a farebox recovery ratio of less than 25%.⁸

Fares charged on each of North Carolina's tolled ferry routes have not been revised since 2003.⁹ As a result, the farebox recovery ratio for the Ferry Division has most likely decreased because fare charges have not reflected associated changes in inflation and corresponding increases in operating expenses. Increases in the farebox recovery ratio can be achieved through fare increases or by reducing operating expenses.

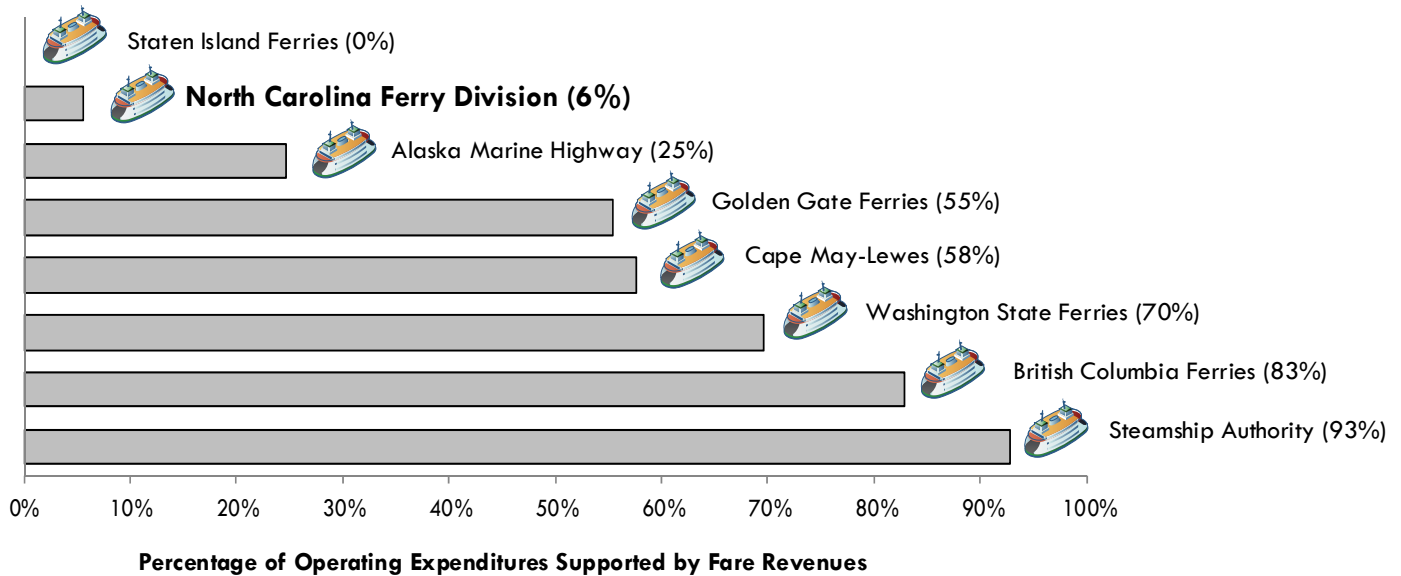
Currently, there is no established farebox recovery target. Establishment of a farebox recovery target ratio could help address the ferry system's long-range funding needs. For example, a Joint Legislative Task Force on Ferries in the state of Washington recommended that the farebox recovery ratio be increased from approximately 60% to 80% over six years as part of a long-range plan for that state's ferry system.

⁷ Lester, J. (2015). *A 2015 comparison of operational performance: Washington state ferries to ferry operators worldwide*. Report prepared for the State of Washington, Department of Transportation.

⁸ Appendix B provides a listing of other characteristics of each of these North American ferry systems.

⁹ The fare is \$1 for pedestrians on each of the tolled routes. For the Cedar Island and Swan Quarter routes, the fare is \$3 for a bicycle and \$10 for a motorcycle, scooter, golf cart, all-terrain vehicle (ATV), or three-wheel motorcycle. For the Southport-Fort Fisher ferry routes the fare is \$2 for a bicycle and \$3 for a motorcycle, scooter golf cart, ATV, or three-wheel motorcycle.

Exhibit 8: In FY 2012–13, the Ferry System Had One of the Lowest Percentages of Operating Expenditures Supported by Fare Revenues of Any Major Publicly-Owned Ferry System in North America



Note: Appendix B provides a listing of other characteristics of each of these North American ferry systems.

Source: Program Evaluation Division based on *A 2015 Comparison of Operational Performance: Washington State Ferries to Ferry Operators Worldwide*.

The mission of the ferry system is to cost-effectively contribute to each of the goals of the State's transportation system. Consequently, focusing exclusively on maximizing the farebox recovery ratio could adversely affect achievement of some of these objectives. For example, two of the goals of the Department of Transportation are to promote economic growth and improve the reliability and connectivity of the State's transportation system. To ensure the ferry system effectively contributes to these goals, it may be appropriate to solely use state funds to operate the system as opposed to focusing on boosting the farebox recovery ratio through fare increases or reductions in operating expenditures. Exclusively using state funds can help increase the impact of the Ferry Division on the region's economic growth and correspondingly increase the amount of state and local tax receipts.

On the other hand, improving the farebox recovery ratio can positively affect the contribution of the ferry system to other goals of the State's transportation system. For example, other strategic goals of DOT are to cost-effectively deliver and maintain the transportation infrastructure and to provide great customer service. Increasing the percentage of operating expenditures recovered by fare revenue assists in the achievement of these goals.

A recent initiative to raise additional revenue from fares was unsuccessful. In 2011, the General Assembly enacted legislation directing DOT and the Board of Transportation to establish tolls for all ferry routes except the Hatteras-Ocracoke and Currituck-Knotts Island routes in order to increase annual revenue collected by the Ferry Division to \$5 million by

2014.¹⁰ In anticipation of this legislation, DOT contracted for a study that included alternatives to achieve the legislative mandate.¹¹ Subsequently, a fiscal note was prepared by DOT that used the fare pricing alternatives identified in the department-funded study and concluded that the proposal would increase costs to North Carolina citizens by more than the revenue realized from the additional fares. These additional costs included an increase in ferry tolls paid and expenditures on motor fuels associated with decisions to use existing roads instead of the ferry due to increased cost. In response to these studies, as well as concerns expressed by area residents, the Governor issued an executive order placing a moratorium on any fare increases unless lifted by act of the General Assembly.¹²

Fare increases are generally not supported by area residents, who often rely on ferries to commute to and from work or school.

The Ferry Division provides services to both area residents and visitors. Area residents use scheduled ferry routes for a variety of reasons including work and school commutes. Due to their frequent patronage of the system, any increase in fares would have a disproportionate impact on these commuters. As a result, area residents have resisted prior initiatives to increase fares.

In Pamlico County, Highway 306 and its ferries are part of the daily working highway corridor structure for small businesses and contractors, school and community college students, school systems, Emergency Management, vendors, military bases, regional workforce, working families, government workers, doctor visits, and the daily working life of Eastern North Carolina tax-paying citizens. It is the same scenario for many of our ferry-dependent neighbors."

- Director of Planning and Economic Development for Pamlico County

Local government entities also have expressed concerns regarding any increase in the fares paid by area residents for ferry services. For example, in March 2013, the Carteret County Board of Commissioners approved a resolution opposing any increases to the Cedar Island-Ocracoke ferry linking Carteret County to the Outer Banks. The board stated in its resolution that it also opposes the collection of any new tolls for the Cherry Branch-Minnesott ferry in neighboring Craven County.

However, the Cape Fear Rural Planning Organization Advisory Committee and Wilmington Metropolitan Planning Organization adopted a resolution in May 2016 supporting a fare increase from \$5 to \$7 for vehicles under 20 feet for the Southport-Fort Fisher ferry route. The resolution stipulated that this increase be contingent on there being no change in the price of a commuter pass, thereby protecting regular users from increased costs.

The Ferry Division can increase annual fare collections on its currently tolled routes by over \$1.7 million without adversely affecting area commuters. The Program Evaluation Division analyzed the current fare

¹⁰ N.C. Sess. Law 2011-145.

¹¹ CM Smith. (2012). *North Carolina ferry system revenue study*. Report prepared for North Carolina Department of Transportation, Ferry Division.

¹² N.C. Executive Order 116, February 29, 2012.

structure to identify opportunities to increase receipts from fares without adversely affecting area residents who use ferry services to commute to and from work and school. This analysis determined that fares should continue to remain free to the public for the four currently non-tolled routes. Three of these currently non-tolled routes—Currituck-Knotts Island, Aurora-Bayview, and Cherry Branch-Minnesott Beach—serve a high concentration of commuters. Consequently, charging a fare on these routes would produce a disproportionately adverse impact on area residents.

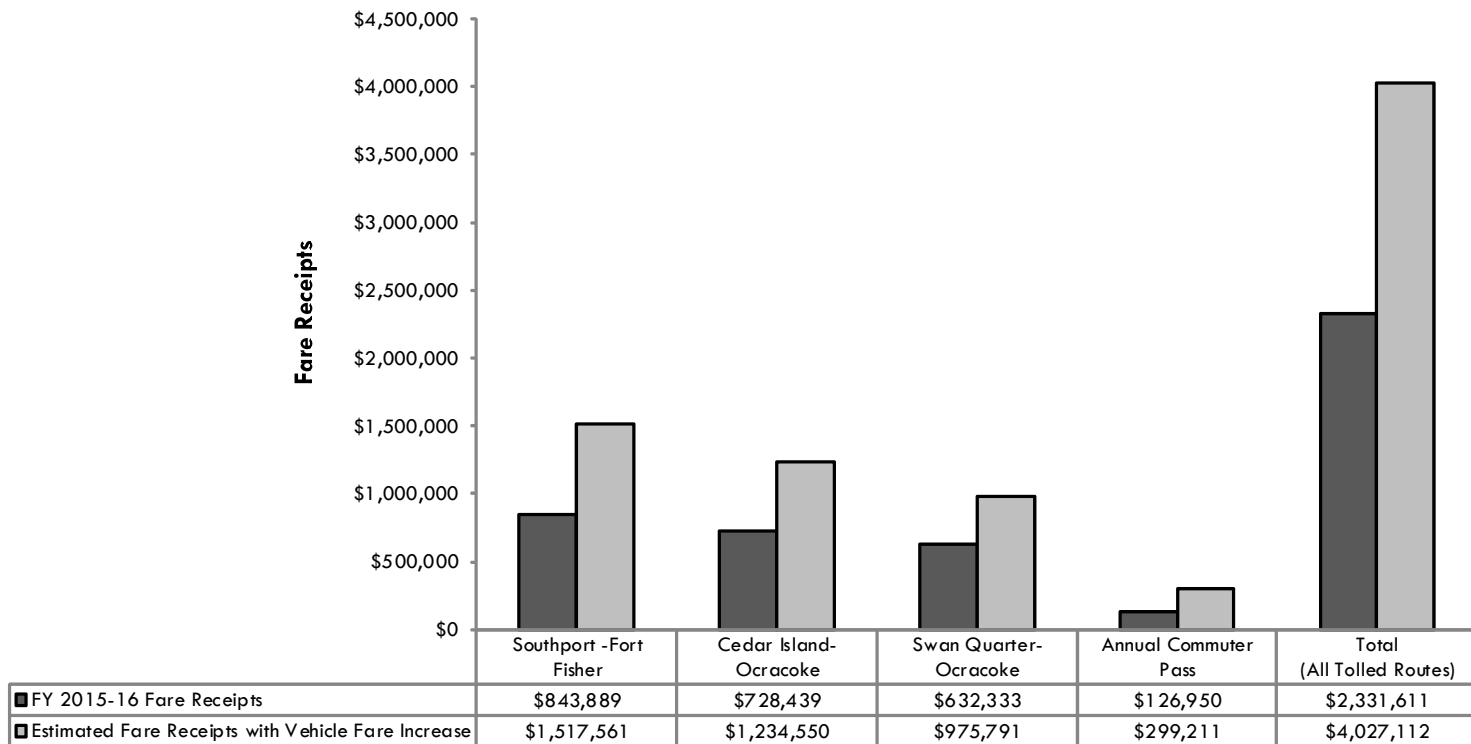
The Program Evaluation Division determined there is insufficient information to determine the adverse economic impact of implementing a fare for the Hatteras-Ocracoke vehicle ferry route. As reported in the Ocracoke-Hatteras Passenger Ferry Feasibility Study, 83% of visitors to Ocracoke spend only one day on the island. The study also reported that these visitors spend an average of \$40 per visit. Consequently, implementation of a toll for these visitors may negatively affect their decision to travel because it would represent a significant share of their total expenditures. As a result, the potential adverse economic impact to the residents of Ocracoke may outweigh the benefits from any additional revenues.

The Ferry Division is planning to offer a passenger-only ferry alternative for the Hatteras-Ocracoke route in 2018. The Passenger Ferry Feasibility Study recommended a round-trip fare of \$15 for this service. Should this new service be tolled, usage rates between the passenger-only service and vehicle service could be compared to determine the potential impact on ridership and associated economic impact from implementation of a toll.

The Program Evaluation Division determined fares could be increased on existing tolled routes without adversely affecting frequent users. Specifically, increasing vehicle fares by \$15 per crossing for the Swan Quarter-Ocracoke and Cedar Island-Ocracoke routes and by \$5 per vehicle for the Fort Fisher-Southport route would generate an estimated \$1.7 million in additional annual fare receipts. These fare revisions should not apply to pedestrians and bicycles because of the low operating costs to transport these passengers.

Vehicle fare increases would not adversely affect area residents who use ferry services to commute to and from work and school because of the availability of an annual commuter pass. The Program Evaluation Division estimates that the proposed increase in vehicle fares would further incentivize frequent users to purchase a commuter pass and thereby limit their total annual expenditures for ferry services to \$150 per year. For example, any area resident who uses the Swan Quarter-Ocracoke or Cedar Island-Ocracoke ferry routes to make more than five round trips in a year can purchase an annual commuter pass and avoid incurring any additional costs associated with a one-way fare increase from \$15 to \$30 for a vehicle and/or combination that is less than 20 feet. This calculation is also applicable for area residents who use the Southpoint-Fort Fisher ferry route to make more than 15 round trips in a year should the one-way fare be increased from \$5 to \$10. As shown in Exhibit 9, this alternative fare pricing structure for currently tolled ferry routes would increase system-wide annual fare collections by an estimated \$1.7 million, from \$2.3 million to \$4 million.

Exhibit 9: The Ferry Division Can Increase Fare Receipts on Currently Tolled Routes From \$2.3 Million to \$4.0 Million Annually Without Adversely Affecting Area Commuters



Source: Program Evaluation Division based on information provided by the Ferry Division.

Based on the results of a study funded by DOT in 2012, the Program Evaluation Division determined area visitor demand for ferry services would not be significantly affected by these proposed fare increases.

This conclusion is also supported by the results of a comprehensive study of the sensitivity of recreational visitors to changes in fares for ferry services conducted by the Washington State Department of Transportation.¹³ Research related to incremental recreational cost increases indicates that fee increases do not present a major barrier to visitation to a destination when the fee represents a small share of total expenditures. For that same reason, implementing a fee on the Hatteras-Ocracoke route may produce a negative economic impact.

In summary, the Ferry Division collected \$2.3 million from tolls on three of its seven scheduled ferry routes in Fiscal Year 2015–16. Receipts from these fares represented only 6% of the Ferry Division's operating expenditures. The Ferry Division can increase vehicle fares on tolled routes by \$15 for the Swan Quarter-Ocracoke and Cedar Island-Ocracoke routes and by \$5 for the Southport-Fort Fisher ferry route and realize an additional \$1.7 million in annual receipts without adversely affecting commuters or harming the economic impact achieved from visitors traveling to the region via these routes.

¹³ Washington State Department of Transportation. (2009, June). *Ferries Division Final Long-Range Plan*. Olympia, WA.

Finding 3. Using partnerships with other government entities and the private sector can reduce state funding requirements and improve the overall effectiveness of the State's ferry system.

Partnerships with other public and private entities can enable the Ferry Division to more cost-effectively contribute to the State's transportation goals by combining available state funds with other funding sources. In addition to potentially expanding the level of ferry transportation services that are available to area residents and visitors, effective utilization of partnerships allows stakeholders associated with potential ferry service initiatives to contribute resources and realize some of the potential benefits.

Forming partnerships to more cost-effectively utilize the State's ferry transportation system requires the development of a contractual agreement between each of the participating public and private entities. The use of a contractual agreement enables the sharing of skills and assets of each participating entity in delivering a ferry transportation service. In addition to sharing resources, each party also may share in the associated risks and rewards.

The proposed passenger-only ferry service for the Hatteras-Ocracoke route is an example of a partnership with a local government entity.

The island village of Ocracoke has no roadway accessibility and can only be reached by air or water. Scheduled water transportation to the island is provided exclusively by the Ferry Division. In addition to increasing access to the island, the Ferry Division's efforts have contributed to the economic development of this region by benefiting the tourism industry.

In 2013, due to shoaling in the Hatteras Inlet, the Ferry Division determined that the existing route was unsafe for its ferry operation. In response, the Ferry Division began to use a longer, deeper route between Hatteras and Ocracoke that increased crossing times from approximately 40 minutes to 60 minutes.

Using the longer route has resulted in a decrease in the number of daily crossings. Though the Ferry Division is continuing to work with the Army Corps of Engineers to dredge the original channel, the Ferry Division has not been able to use the original route since 2013. Consequently, during the summer peak season, it has become more difficult for tourists to complete a day trip to Ocracoke.

A study conducted in conjunction with a grant funded by the Department of Transportation in 2015 estimated that the increased crossing time associated with the change in the route used by vehicle ferries resulted in an average decrease of over 40,000 visitors to Ocracoke during the summer season, June through August, for 2014 and 2015. The study also attributed this decrease in the amount of visitor expenditures to the reduction in planned trips to Ocracoke and to an increase in the number of tourists abandoning a planned visit due to excessive wait times upon arrival at the Hatteras terminal.

The Program Evaluation Division estimates the new and longer ferry route resulted in a loss of 89 jobs in the tourism industry and a combined reduction of over \$500,000 in local and state tax revenue during the 2014 and 2015 summer seasons (see Exhibit 10).^{14,15} These decreases in employment and tax revenues are the result of an estimated combined decline in tourism expenditures for these two years of \$5.2 million, from an expected \$52.7 million to 47.6 million (9.7%). An estimated \$242,577 of \$526,152 in reduced tax collections is attributable to state taxes with the remaining \$283,575 associated with reductions in local tax collections. These receipts included taxes collected from the sale of merchandise, lodging, and vehicle rentals as well as income and sales tax paid by employees in the Ocracoke tourism industry.

Exhibit 10

Longer Route Between Hatteras and Ocracoke Resulted in Losses of Jobs and Tax Revenues in 2014 and 2015

Tourism Expenditure Reduction (2014 and 2015)	Jobs Lost	Reduced Tax Collections (Local)	Reduced Tax Collections (State)	Reduced Tax Collections (Total)
\$5,243,420	89	\$283,575	\$242,577	\$526,152

Source: Program Evaluation Division based on reports prepared by and for the Department of Transportation and Visit North Carolina.

Tourism expenditures directly support many businesses on the island of Ocracoke and also enhance the general economic activity of the island. For example, an expenditure made at a restaurant directly supports wait staff earnings, indirectly supports the earnings of suppliers of food and beverages sold at that restaurant, and if the wait staff or food and beverage suppliers spend their earnings, it helps support the earnings of other workers on the island.

In 2016, the General Assembly authorized the Ferry Division to develop and implement a passenger-only ferry service for the Hatteras-Ocracoke route. Implementation of this passenger-only ferry service is intended to address the decrease in the number of visitors to Ocracoke associated with changes to the route used by vehicle ferries. When fully implemented, the Ferry Division will have augmented the current Hatteras-Ocracoke ferry route with two passenger-only ferries.

The Ferry Division estimates \$8.6 million in state and federal funds will be required to implement services for one passenger-only ferry for the Hatteras-Ocracoke route (see Exhibit 11). In addition to the procurement of one 100-person-capacity passenger-only ferry with an estimated cost of \$4.5 million, this requirement also includes \$2.1 million for engineering design and environmental permitting and \$1.9 million for additional capital expenditures. These non-vessel-related capital expenditures include improvements to the Hatteras and Ocracoke terminals and docks and the procurement of a ticketing and reservation system.¹⁶ Finally, DOT plans to

¹⁴ Volkert, Atkins, & ITRE. (2016). *Ocracoke—Hatteras passenger ferry feasibility study*. Prepared for North Carolina Department of Transportation, Ferry Division.

¹⁵ U.S. Travel Association (2016). *The economic impact of travel on North Carolina counties*. Prepared for Visit North Carolina.

¹⁶ Passenger-only ferry construction costs were based on estimated costs provided by the Ferry Division on May 15, 2017.

Exhibit 11

Ferry Division Estimates \$8.6 Million Will Be Required to Implement Passenger-Only Ferry Service for the Hatteras-Ocracoke Route

spend \$166,000 to purchase open-sided shuttle buses and make improvements to the associated shuttle bus transit routes.

Passenger-Only Ferry Project Category	Estimated Cost
Engineering design and environmental permitting	\$2,070,536
Construction of one passenger-only ferry	\$4,470,719
Terminal and dock improvements	\$1,788,560
Passenger shuttle services	\$166,000
Ticketing and reservation system	\$150,000
Total	\$8,645,814

Source: Program Evaluation Division based on information provided by the Ferry Division.

The local government has a key role in ensuring successful implementation of a passenger-only ferry project. To accommodate the projected increase in demand for public transportation associated with this additional ferry service, state funds also will be used to acquire three 16-passenger vehicles to shuttle ferry passengers and residents around Ocracoke Village and other points of interest. The local government will have responsibility for the operation of these passenger vehicles as well as coordination with other area surface transportation modes.

The passenger-only ferry service for the Hatteras-Ocracoke route is scheduled to become operational in May 2018. This service will augment the existing vehicle ferry service for this route with no scheduled reduction in the level of vehicle ferry service. While transit times for both the passenger-only and vehicle ferry service will be about one hour, the passenger-only ferry service will deliver passengers to the South (Silverlake) terminal at Ocracoke village. The vehicle ferry service will continue to deliver passengers to the South dock terminal, which is located approximately 13 miles from Ocracoke village and adds an estimated 15-20 minutes to overall transit time.

The new passenger-only ferry service can contribute to achievement of the State's transportation goals. Implementation of a passenger-only ferry system for the Hatteras-Ocracoke route also may attract other potential visitors who view a passenger-only ferry as a better mode of transportation and consequently a significant factor in their vacation travel planning. In addition to utilizing the Silver Lake terminal and relieving passengers of any difficulty associated with vehicle parking, the proposed passenger-ferry vessels will have an operating service speed of 28 knots, which is nearly three times as fast as the typical operating speed of 10 knots for the vehicle ferries serving the Hatteras-Ocracoke route. The opportunity to experience this new mode of marine transportation may help increase overall visitation to Ocracoke Island. Despite the \$15 round-trip toll recommended in the Passenger Ferry Feasibility Study, potential visitors may view this alternative as preferable.

Potential visitors to Ocracoke Island who use the passenger-only ferry also may be part of the group that abandoned planned visits due to excessive boarding wait times for the vehicle ferry service. For example, the Passenger Ferry Feasibility Study estimated that due to excessive wait

times, approximately 1,273 vehicles, or 3,700 people, abandoned a trip to Ocracoke Island during peak demand periods in 2014.

The planned passenger-only ferry service is intended to address this issue by incorporating a ticketing and reservation system. The proposed ticketing and reservation system will allow for the purchase of tickets in person at the ferry terminal, online via a web portal, and electronically via a mobile device application. The purchase of a ticket through this system will provide passengers with a guaranteed departure and arrival time and therefore prevent them from having to wait in line as was the case with the vehicle ferry service.

An overall increase in the number of visitors traveling to Ocracoke Island by ferry will have a positive economic impact and serve to increase associated state and local tax receipts. As shown in Exhibit 12, based on 2014 and 2015 utilization data, the Program Evaluation Division estimates each passenger contributing to an increase in the overall level of visitation to Ocracoke Island will produce an additional \$71 in tourism-related expenditures. As a result, each additional visitor will also produce an additional \$7.14 in associated local and state tax revenues.

Exhibit 12: In 2014 and 2015 Visitors Using the Hatteras-Ocracoke Ferry Route Spent an Average of \$71 on Ocracoke Island and Contributed \$7.14 to State and Local Tax Receipts

Year	Expenditures per Visitor	Local Tax Receipts per Visitor	State Tax Receipts per Visitor	Total Tax Receipts per Visitor
2014	\$72.45	\$3.30	\$3.91	\$7.21
2015	\$69.57	\$3.77	\$3.30	\$7.07
Two-Year Average	\$70.98	\$3.54	\$3.60	\$7.14

Source: Program Evaluation Division based on a report prepared for Visit North Carolina and ferry route utilization information from the Ferry Division.

As with any partnership with another entity, effective coordination is essential to ensure the initiative to add passenger-only ferry service to Ocracoke Island effectively achieves the specific objectives of area residents while contributing to the strategic objectives of the State's transportation system. Though the Ferry Division and the local government each have specific responsibilities, the success of the new service will be contingent on the effective implementation of all aspects of the initiative.

Partnerships with other entities, both public and private, represent alternative funding sources that can help increase the overall effectiveness of the ferry system. For example, in 2017 the General Assembly enacted legislation that included a requirement for the Department of Environmental Quality to conduct a study of the feasibility and cost-effectiveness of acquiring one or more dredges.¹⁷ This legislation also stipulated that the study evaluate options for minimizing costs and increasing cost-effectiveness to include public-private partnerships and shared ownership arrangements with neighboring states or the United States Army Corps of Engineers.

¹⁷ N.C. Sess. Law 2017-57, Section 13.8.(a).

However, partnerships for established services are not easily accomplished. After the State invests in transportation infrastructure such as the establishment of a ferry route, it becomes difficult in the future to shift some or all of the cost responsibility to passengers through tolls and private partnerships for sponsoring or assisting in financing operations, expansions, and enhancements.

For example, the three-and-a-half-mile Aurora-Bayview ferry route connects the northern and southern banks of the Pamlico River and is not currently tolled. In Fiscal Year 2015–16, the Ferry Division expended nearly \$1.5 million to transport 50,632 vehicles on this route.¹⁸ Employees of the largest employer in Beaufort County benefit from this route because it reduces the cost and time to commute by car from the northern half of Beaufort County and points northward. However, when a local Chamber of Commerce official, at the Program Evaluation Division's suggestion, asked the employer to discuss potentially providing financial assistance towards the Aurora-Bayview ferry, the company contended that it already made sufficient contributions to the area through jobs, through state and local taxes, and by being a customer of the state-owned Morehead City Port.

In summary, increased use of partnerships by the Ferry Division can enable more cost-effective utilization of available state funds. The current initiative to establish passenger-only ferry service on the Hatteras-Ocracoke route is an example of a partnership that can benefit both the State and local government by contributing to the economic development of the area. Increased use of partnerships with other private and government entities can provide an alternative funding source and help increase the overall effectiveness of the DOT ferry system.

Finding 4. Development of a long-range plan provides an opportunity to take a systematic approach to identifying how the Ferry Division can most cost-effectively contribute to the mission of the Department of Transportation and the strategic transportation goals of the State.

An effective plan should be based on a long-range forecast of the region's transportation needs. It should include an assessment of future funding availability and an analysis of changes to the existing system that may be required to meet those needs.

The long-range plan should be based on a 20-to-30-year forecast of transportation demand and is intended to address the region's needs over that period. It also should be regularly updated. These updates are necessary to ensure the plan reflects changes in the region's industries, economy, population, and infrastructure.

In addition, the recommended set of proposed actions contained in an effective plan should be based on analysis and consultation with other government and private entities as well as the public served by the system. Proposed actions should include consideration of the role that ferry transportation services can play in the State's economy and an assessment

¹⁸ See page 33 of this report for a detailed statistical and financial profile of the Aurora-Bayview ferry.

of benefits that could be realized through strategic investments in maritime infrastructure.

The Department of Transportation has produced several studies that provide alternative approaches to cost-effectively address the long-range objectives of the State's transportation system.

- **Statewide Long-Range Transportation Plan (2040 Plan), August 2012.** The 2040 Plan is a blueprint that sets investment and policy priorities for North Carolina's evolving transportation system over the next 30 years. It is a policy-based document that identifies transportation needs, estimates the revenue necessary to fund those needs, and outlines the investment strategies and policies supporting them. The plan focuses on policies and programs needed to enhance safety, improve mobility, and reduce congestion for all transportation modes.
- **State Transportation Improvement Plan (STIP), December 2016.** The STIP plan is a 10-year state and federally mandated plan that identifies construction funding and scheduling for transportation projects. The multi-year STIP is used to schedule most highway improvements from state and federal gas tax revenues and other federal grants.
- **Seven Portals Study, December 2011.** This study identifies opportunities for North Carolina to tie its transportation infrastructure investments to economic development and the creation of jobs. It examines the State's infrastructure as a whole and the strengths, weaknesses, opportunities, and constraints of the transportation infrastructure within each economic region as compared to the needs and objectives of each regional economy. Among the many ideas presented in the study is a recommendation to increase the number of partnerships with the private sector to realize common economic objectives.
- **Vessel Replacement Plan, April 2016.** This plan identifies the cost to refurbish and to replace each of the ferry boats and support vessels in the current inventory.

Though these studies identify alternative approaches to address the long-range objectives of the State's transportation system as a whole, a comprehensive long-range plan strictly for ferry transportation services provides an opportunity for a more in-depth analysis of the unique opportunities and potential benefits that an effective ferry system can provide. In addition to identifying alternatives to alleviate resource requirements for the State's other transportation modes, an in-depth analysis of the ferry system can help identify alternatives to stimulate economic activity in the region and achieve a corresponding increase in both state and local tax collections.

The North Carolina Maritime Strategy study is an example of a study that included a long-range plan for a specific segment of the State's transportation system.¹⁹ This study focused on the segment of the State's

¹⁹ AECOM in association with URS (2012). *NC maritime strategy final report*. Prepared for the North Carolina Department of Transportation.

transportation system used to conduct regional and global maritime trade including the opportunities and challenges the State experiences as a port for global maritime commerce. The study also examined the role North Carolina ports play in sustaining and strengthening the state economy and sought to identify opportunities and strategies to optimize the benefits gained from the State's investment in ports and associated transportation infrastructure.

As with the North Carolina Maritime Strategy study, the development of a long-range plan for ferry services offers an opportunity to identify and examine alternatives for transporting vehicles and passengers via ferries that cost-effectively contributes to the strategic objectives of the State's transportation system. The long-range plan should be used as a guide for the development of each applicable vehicle and passenger marine transportation initiative including current ferry routes identified for continuation. A long-range plan also should provide a framework for state investment in ferry transportation services. Maritime infrastructure is capital-intensive, increasingly requiring coordination among public and private stakeholders to meet maintenance and expansion requirements. To help leverage available state funds, the long-range plan should identify other potential sources of revenue including passenger fares and partnerships with other government entities and the private sector.

Other large ferry systems utilize various governance structures in partnering with private and government entities to achieve their marine transportation goals. The governance structure used to operate each segment of the ferry transportation system affects the sources from which resources are drawn and the means by which policy is established and decisions about any and every aspect of the operation are made.

As shown in Appendix C, a variety of governance structures exist that may be incorporated into a long-term plan to ensure maritime transportation cost-effectively contributes to the strategic objectives of the State's transportation system. Each of these identified governance structures has strengths and weaknesses that should be considered when determining the best approach to cost-effectively achieving these specific objectives.

For example, a public authority provides a governance structure that allows local area residents to cost-effectively achieve goals specific to their region. Establishment of a public authority for a specific geographical area and service type also enables local governments to establish partnerships to leverage available funds and helps ensure area stakeholder participation to more cost-effectively achieve identified goals and objectives. As with other potential governance structures, however, there are also risks that public authorities may not effectively serve the specific objectives of area residents. For example, establishment of public authorities with overlapping geographical boundaries may result in conflicting goals and objectives.

In addition, enabling legislation is generally required as a condition of establishing a public authority. For example, during the 2017 legislative session the General Assembly enacted a bill to authorize the creation of a

ferry transportation authority.²⁰ This legislation authorizes a public authority for a specific service area. The legislation also stipulates the criteria for establishment of the service area boundaries, as well as the organization, composition, and general powers of the public authority.

Though governance structures that facilitate the establishment of partnerships with other government and private entities enable the State to leverage its resources, they may not always be the most appropriate alternative. For example, North Carolina currently utilizes a Government Line Agency governance structure. Under this governance structure, the State owns all of the associated assets with responsibility for effective operations delegated to the Ferry Division. This governance structure helps ensure scheduled ferry routes can continue to provide the necessary transportation infrastructure to meet the requirements of area residents.

A Government Line Agency governance structure also ensures only state funds will be required to provide ferry services on established routes with supplemental funding coming from tolls and other revenue sources. For some scheduled ferry routes it may not be feasible to use governance structures that involve participation from other public or private entities. These outside entities would need to determine whether the associated benefits of participation exceed the costs. For ferry routes primarily serving area commuters such as the Aurora-Bayview route, the potential for monetary remuneration is limited due to the adverse impact to area residents associated with collecting tolls.

Stakeholder involvement is a key element of the development and implementation of an effective long-range plan for North Carolina's ferry transportation system. Key stakeholders in both government and the private sector can provide valuable input through involvement in the management and oversight of a long-term plan. For example, the Maritime Strategy study established an Executive Team to oversee the process, evaluate results, and provide objective technical and economic analysis. The Executive Team for this study included the Lieutenant Governor as well as agency heads from the Department of Transportation and the former Departments of Commerce and Environment and Natural Resources. The Maritime Strategy study also included an Advisory Council of public and private partners with responsibility for strategic development and implementation. The Advisory Council consisted of state officials and staff along with industry representatives from ocean shipping, trucking, rail and manufacturing, and community-at-large representatives.

Stakeholders and the public also can help identify and evaluate various alternatives to cost-effectively achieve the goals and objectives of the State's ferry system by participating in focused stakeholder meetings. In addition, continued stakeholder involvement after issuance of the long-term plan is an important component to its successful implementation. For example, the Maritime Strategy study included a comprehensive public involvement program. The goals of this program include

²⁰ N.C. Sess. Law 2017-120.

- fostering a public involvement process that will engage stakeholders and the public to assist in the development process and recommendations;
- producing a comprehensive and cohesive public involvement process that engages various levels of stakeholders through the utilization of a broad array of public involvement tools and techniques;
- creating opportunities to interact with project stakeholders and the public in order to garner input on the future vision for North Carolina's ports; and
- identifying opportunities to collect feedback and comments and respond to these accordingly.

These goals were achieved through engaging stakeholders and the public by educating and informing them on project-related issues, providing multiple formats and opportunities for public input, and integrating feedback into the decision-making process.

To help evaluate various alternatives, the long-range plan for ferry transportation services should utilize performance measures and targets. Performance measures and targets provide quantitative measures of economic benefit that can be realized by specific investments. In addition, performance measures and targets can be used to compare major benefits, costs, and implications of identified alternatives. For example, a measure to identify the state and local tax revenues that would be generated from each alternative can be used by the General Assembly to evaluate the return on applicable state funding requirements.

As with other long-range plans for specific segments of the State's transportation system, the availability of adequate administrative and technical resources is essential to achieving intended objectives. Required administrative resources include facilities for plan participants to meet and evaluate proposed alternatives and staff support to assist with overall coordination and drafting of reports. In addition, administrative support services are required to facilitate involvement of the maritime industry and community stakeholders. Technical resource requirements include the identification and procurement of specific areas of expertise in ferry system service alternatives as well as associated cost-benefit analysis. This expertise may be available from a variety of sources including the State's university and community college system, state agencies, and private consulting firms.

The Golden LEAF Foundation offers an example of an entity that may be able to provide funds for these resource requirements while adhering to its charter and mission. According to its charter, the Golden LEAF Foundation "shall promote the social welfare and lessen the burdens of government by using its funds to provide economic impact assistance to economically affected or tobacco-dependent regions of North Carolina." The mission of Golden LEAF is to increase economic opportunity in North Carolina's rural and tobacco-dependent communities through leadership in grant-making, collaboration, innovation, and stewardship as an independent and perpetual foundation.

The Golden LEAF Foundation focuses its grant-making in areas that show the most promise for assisting targeted communities with economic transition and/or diversification. For example, the Golden LEAF Foundation issued a grant of \$325,000 to the Department of Natural and Cultural Resources to develop and implement an agricultural and heritage tourism model that can be used to create new sustainable tourism products. Another example is a \$133,380 grant issued to the North Carolina Biotechnology Center to develop a strategic plan to guide the State's investments in biotechnology. As of June 30, 2016, the Golden LEAF Foundation reported a fund balance/net position of \$846.8 million. This amount reflects the Foundation's available unrestricted assets, less its liabilities. In Fiscal Year 2015–16, the Golden LEAF Foundation spent \$30.3 million, primarily on grant disbursements.

In summary, the development of a long-term plan can help ensure North Carolina's ferry transportation services cost-effectively contribute to achievement of the mission of DOT and the strategic transportation goals of the State. The long-term plan should utilize performance measures and targets to evaluate various alternatives and assist the General Assembly in determining expected contributions to state and local tax receipts from associated funding requirements.

Recommendations

Recommendation 1. The General Assembly should direct the Ferry Division to produce a long-range plan for the State's ferry transportation system.

The objective of the long-range plan should be to identify alternatives and make recommendations to ensure the ferry system cost-effectively contributes to the strategic objectives of the State's transportation system. Evaluation of each potential alternative should include consideration of the associated costs and benefits including the impact on state and local tax receipts and the impact on the State's other modes of transportation.

To address the long-range funding needs of the ferry system, the long-range plan also should evaluate alternative pricing structures that maximize the contribution of fares to support the operation of each ferry route, including the fare pricing alternative presented by the Program Evaluation Division. The evaluation of alternatives to the current fare pricing structure should include consideration of the impact on residents who use routes to commute to and from work or school and the economic impact to the State and region including projected changes in state and local tax receipts as a result of associated changes in ridership for each route. In addition, the long-range plan should identify appropriate levels of operating cost recovery from vehicle and passenger fares, including plans to achieve the established targets.

In addition, the long-range plan should include consideration of various governance structures including partnerships with other government entities and the private sector. At a minimum, the long-range plan should include consideration of the most appropriate governance structure for the following activities/services:

- passenger-only and vehicle ferry operations;
- ferry boat and support vessel construction and maintenance;
- terminal construction, maintenance, and operations; and
- Manns Harbor shipyard operations.

In lieu of requesting a separate legislative appropriation, the General Assembly also should direct the Ferry Division to apply for a grant from the Golden LEAF Foundation to procure necessary support services to effectively identify and evaluate potential alternatives to enhance the cost-effectiveness of the State's ferry transportation system. In addition to providing administrative support services, these responsibilities should include procurement of appropriate technical expertise from available sources including the State's university and community college system, state agencies, and private entities with specific expertise in ferry transportation systems.

The General Assembly also should direct the establishment of an Executive Team to oversee the process, evaluate results, and provide an objective technical and economic analysis. At a minimum, the Executive Team for the long-range plan for the State's ferry transportation system should include designated representatives of the following entities:

- Department of Transportation,
- Department of Natural and Cultural Resources,
- Department of Environmental Quality,

- Visit North Carolina,
- the North Carolina ferry boat and support vessel construction industry, and
- local government(s) with direct access to applicable state waterways.

The General Assembly should direct the Ferry Division to deliver this long-range plan for the State's ferry transportation system, as approved by the designated Executive Team, to the Joint Legislative Transportation Oversight Committee and the Fiscal Research Division by December 1, 2018.

Recommendation 2. The General Assembly should direct the Department of Transportation to evaluate the schedule of crossings for each ferry route to ensure ferry services cost-effectively meet the needs of both area residents and tourists.

This evaluation should include alternatives presented by the Program Evaluation Division as well as input from ferry system stakeholders including local governments directly affected by ferry services. Evaluation of alternatives should include consideration of expected use and impact on the operating costs of each route.

The results of this evaluation should be included in the long-range plan.

Appendices

Appendix A: Ferry Division Routes

Appendix B: Publicly-Owned Ferry Systems in North America

Appendix C: Governance Structure Alternatives

Agency Response

A draft of this report was submitted to the North Carolina Department of Transportation's Ferry Division to review. Its response is provided following the appendices.

Program Evaluation Division Contact and Acknowledgments

For more information on this report, please contact the lead evaluator, Chuck Hefren, at chuck.hefren@ncleg.net.

Staff members who made key contributions to this report include Pat Madej. John W. Turcotte is the director of the Program Evaluation Division.

Appendix A: Ferry Division Routes

Division Performance FY15-16:

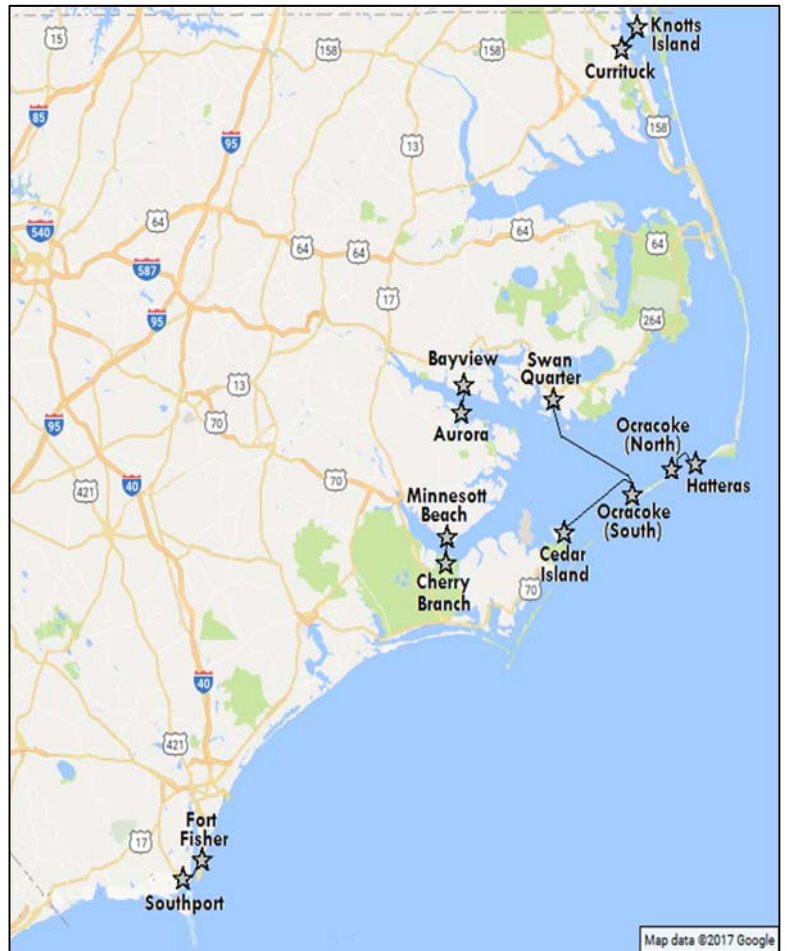
Number of Routes:	7
Number of Ferries:	21
Daily Crossings:	154-202
Total Crossings:	61,662
Sailings on Time:	95.8%
Vehicles Transported:	801,256
Passengers Transported:	1,872,757
Monthly Capacity Range:	16.3-95.7%
Average Capacity Used:	49.0%

Division Expenditures FY15-16:

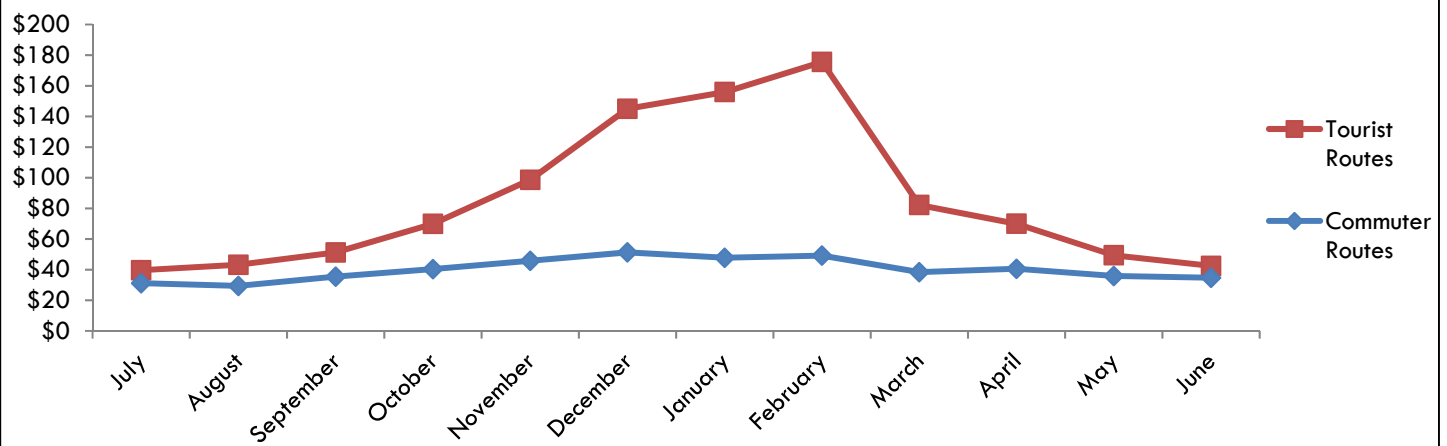
Vessel Costs:	\$20,672,052
Terminal Costs:	5,809,652
Marine Maintenance Costs:	1,319,864
Dredging Costs:	66,001
Total Operating Costs:	\$27,867,568

Division Revenue FY15-16:

Net Toll Revenue:	\$ 2,204,661
Commuter Pass Revenue	126,950
Total Revenue:	\$ 2,331,611



Average Operating Cost Per Vehicle by Month FY15-16



Notes: Excluding weather-related missed sailings, 98.3% of sailings were made on time. Operating costs were calculated by the Program Evaluation Division based on information provided by the Ferry Division. Operating costs include labor (terminal and vessel), fuel, maintenance (terminal, vessel, and docks), and dredging costs. Costs related to system executive management and system-wide administrative activities were not included. Tourist routes are Ocracoke routes (Cedar Island, Swan Quarter, and Hatteras) and Southport-Fort Fisher due to a relatively high increase in summer ridership. Commuter routes are Currituck-Knotts Island, Aurora-Bayview, and Cherry Branch-Minnesott.

Currituck - Knotts Island

Route Information FY15–16:

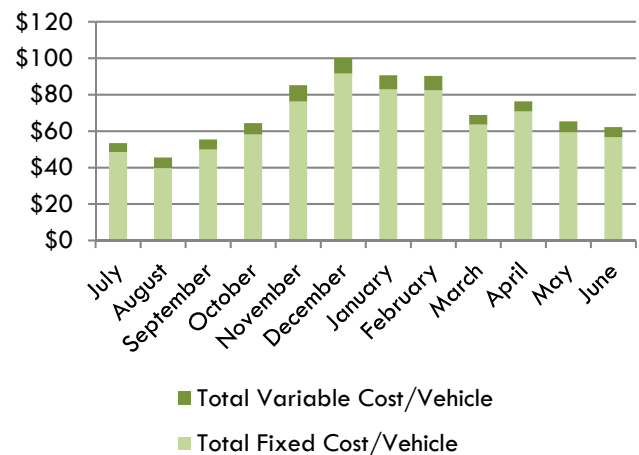
County:	Currituck
Primarily Serves:	Commuters, local K-12 students
Route Distance:	5 miles
Sailing Time:	45 minutes
Passenger Vehicle Fare:	\$0
Daily Crossings:	10 - 12



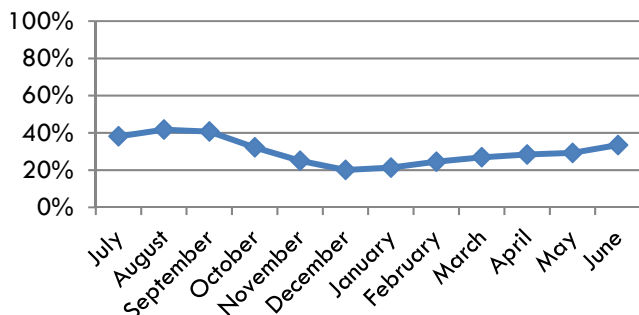
Route Performance FY15–16:

Vehicles Transported:	19,016
Percent Out of State Vehicles:	34.4%
Operating Costs:	\$1,285,004
Variable Costs:	\$118,709
Average Cost Per Vehicle:	\$68
Average Cost Per Crossing:	\$329
Variable Cost Per Crossing:	\$30
Sailings on Time:	96.2%
Change in Ridership FY08-09 to FY15-16:	-31.5%

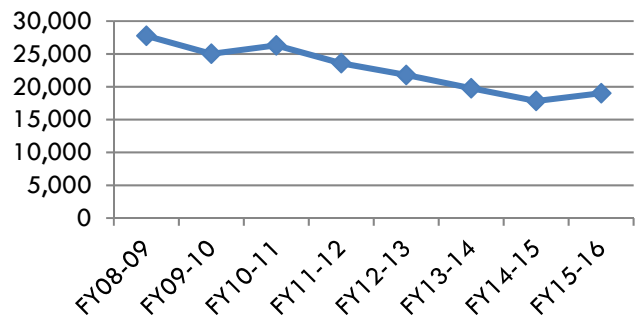
FY15-16 Monthly Costs Per Vehicle



FY15-16 Monthly Capacity Utilization



Yearly Vehicle Ridership

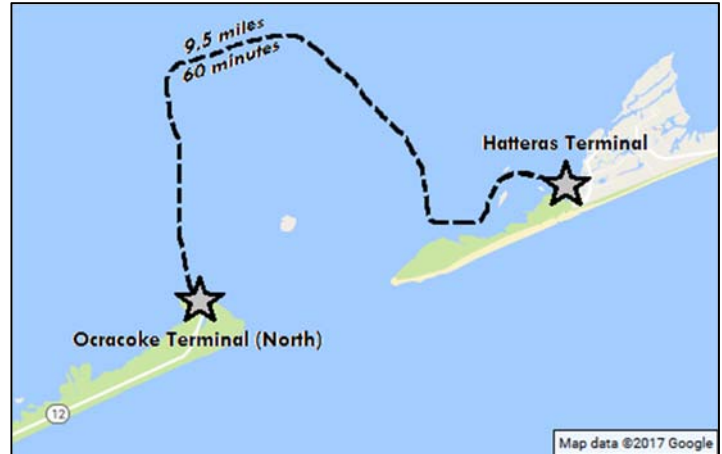


Notes: Operating costs were calculated by the Program Evaluation Division based on information provided by the Ferry Division. Operating costs include labor (terminal and vessel), fuel, maintenance (terminal, vessel, and docks), and dredging costs. Costs related to system executive management and system-wide administrative activities were not included. Variable costs were calculated by the Program Evaluation Division based on information provided by the Ferry Division. Variable costs include fuel and vessel maintenance costs.

Hatteras - Ocracoke

Route Information FY15-16:

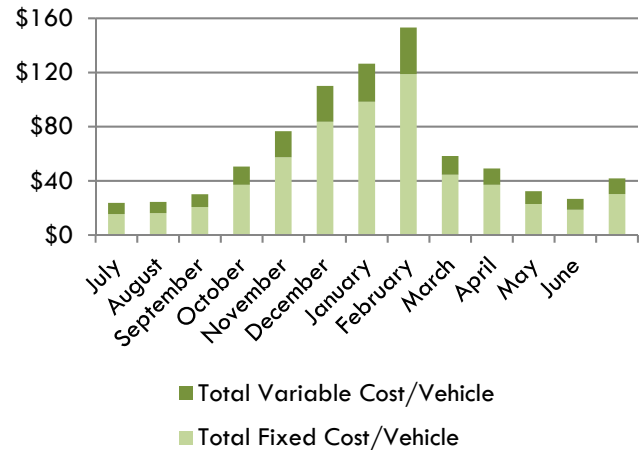
Counties:	Hyde, Dare
Primarily Serves:	Ocracoke residents, tourists
Route Distance:	9.5 miles
Sailing Time:	60 minutes
Passenger Vehicle Fare:	\$0
Daily Crossings:	36 - 72



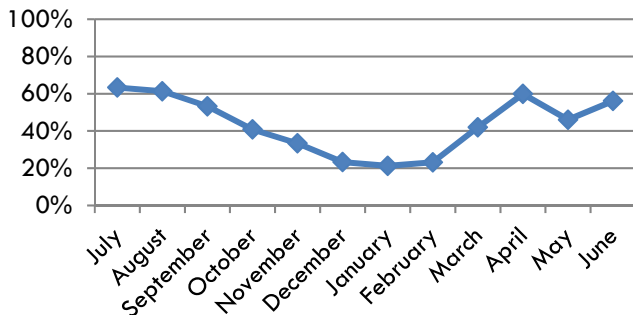
Route Performance FY15-16:

Vehicles Transported:	249,858
Percent Out of State Vehicles:	59.0%
Operating Costs:	\$10,428,192
Variable Costs:	\$2,882,240
Average Cost Per Vehicle:	\$42
Average Cost Per Crossing:	\$556
Variable Cost Per Crossing:	\$154
Sailings on Time:	95.6%
Change in Ridership FY08-09 to FY15-16:	-23.9%

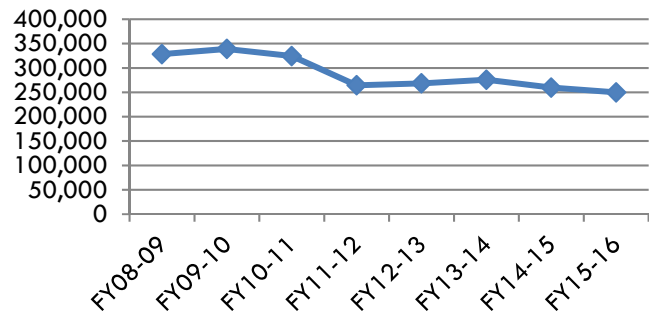
FY15-16 Monthly Costs Per Vehicle



FY15-16 Monthly Capacity Utilization



Yearly Vehicle Ridership



Notes: Operating costs were calculated by the Program Evaluation Division based on information provided by the Ferry Division. Operating costs include labor (terminal and vessel), fuel, maintenance (terminal, vessel, and docks), and dredging costs. Costs related to system executive management and system-wide administrative activities were not included. Variable costs were calculated by the Program Evaluation Division based on information provided by the Ferry Division. Variable costs include fuel and vessel maintenance costs.

Aurora - Bayview

Route Information FY15-16:

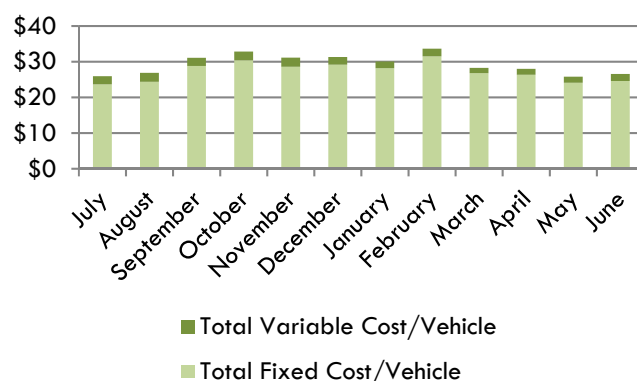
County:	Beaufort
Primarily Serves:	Commuters, Potash Corp
Route Distance:	3.5 miles
Sailing Time:	30 minutes
Passenger Vehicle Fare:	\$0
Daily Crossings:	14



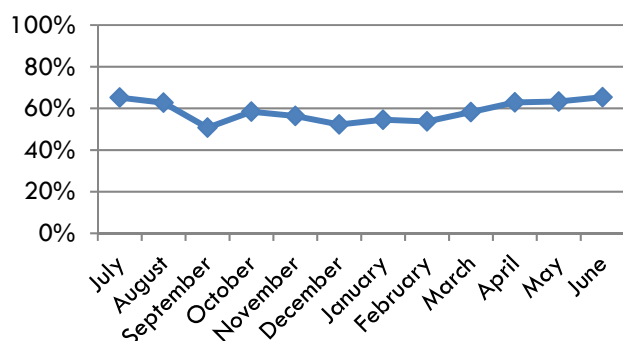
Route Performance FY15-16:

Vehicles Transported:	50,632
Percent Out of State Vehicles:	2.4%
Operating Costs:	\$1,470,586
Variable Costs:	\$105,602
Average Cost Per Vehicle:	\$29
Average Cost Per Crossing:	\$295
Variable Cost Per Crossing:	\$21
Sailings on Time:	97.2%
Change in Ridership FY08-09 to FY15-16:	-36.9%

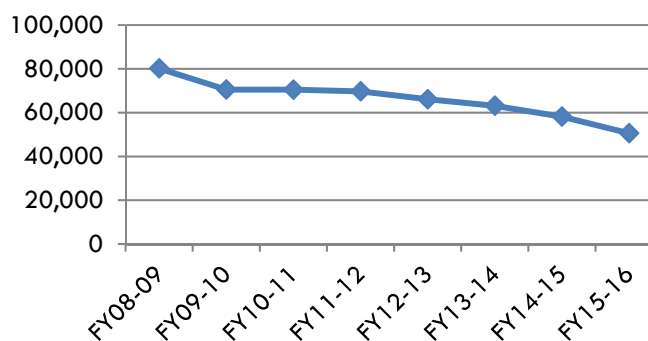
FY15-16 Monthly Costs Per Vehicle



FY15-16 Monthly Capacity Utilization



Yearly Vehicle Ridership



Notes: Operating costs were calculated by the Program Evaluation Division based on information provided by the Ferry Division. Operating costs include labor (terminal and vessel), fuel, maintenance (terminal, vessel, and docks), and dredging costs. Costs related to system executive management and system-wide administrative activities were not included. Variable costs were calculated by the Program Evaluation Division based on information provided by the Ferry Division. Variable costs include fuel and vessel maintenance costs.

Cherry Branch – Minnesott Beach

Route Information FY15–16:

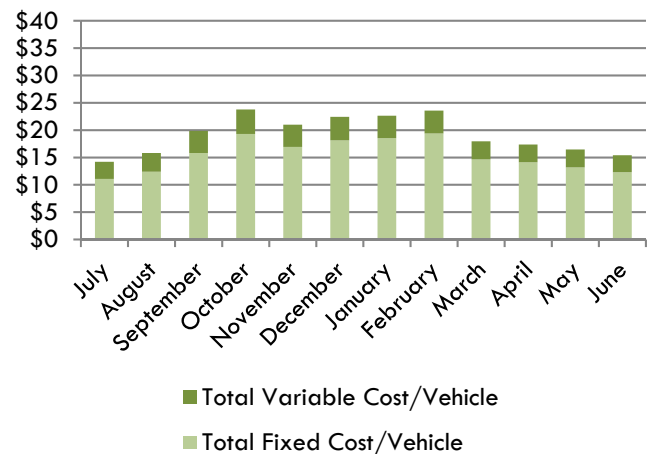
Counties:	Craven, Pamlico
Primarily Serves:	Commuters, MCAS Cherry Point
Route Distance:	2 miles
Sailing Time:	20 minutes
Passenger Vehicle Fare:	\$0
Daily Crossings:	54



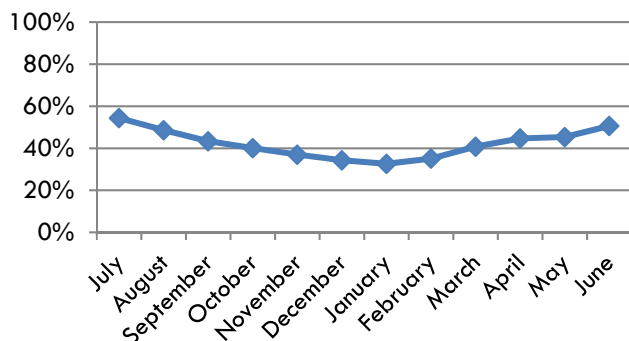
Route Performance FY15–16:

Vehicles Transported:	196,210
Percent Out of State Vehicles:	6.6%
Operating Costs:	\$3,647,999
Variable Costs:	\$714,538
Average Cost Per Vehicle:	\$19
Average Cost Per Crossing:	\$193
Variable Cost Per Crossing:	\$38
Sailings on Time:	96.0%
Change in Ridership FY08-09 to FY15-16:	-24.6%

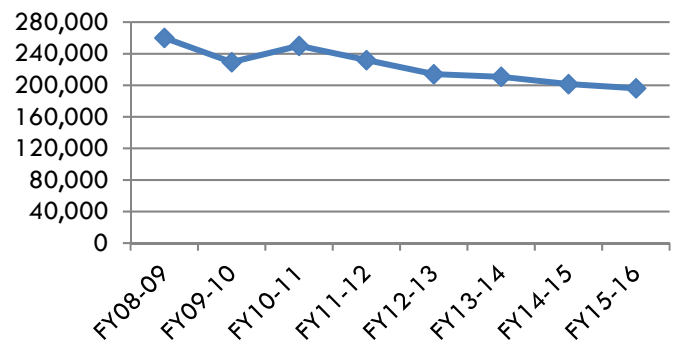
FY15-16 Monthly Costs Per Vehicle



FY15-16 Monthly Capacity Utilization



Yearly Vehicle Ridership

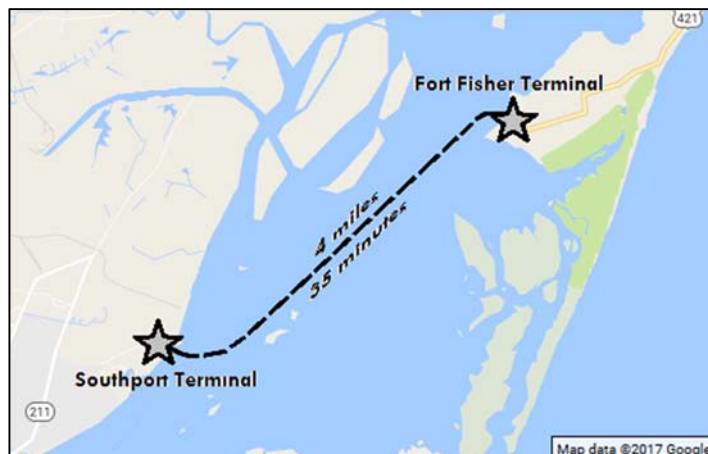


Notes: Operating costs were calculated by the Program Evaluation Division based on information provided by the Ferry Division. Operating costs include labor (terminal and vessel), fuel, maintenance (terminal, vessel, and docks), and dredging costs. Costs related to system executive management and system-wide administrative activities were not included. Variable costs were calculated by the Program Evaluation Division based on information provided by the Ferry Division. Variable costs include fuel and vessel maintenance costs.

Southport – Fort Fisher

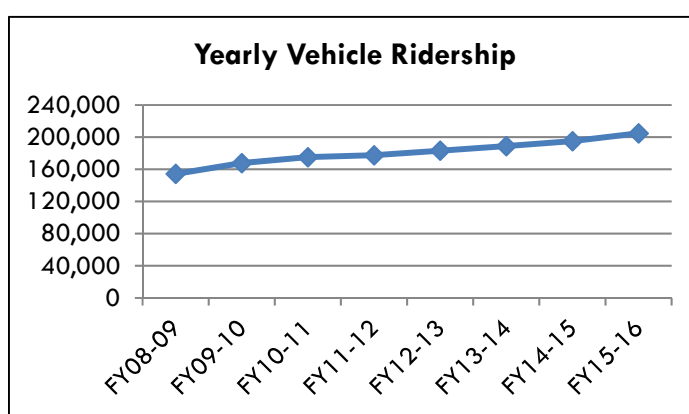
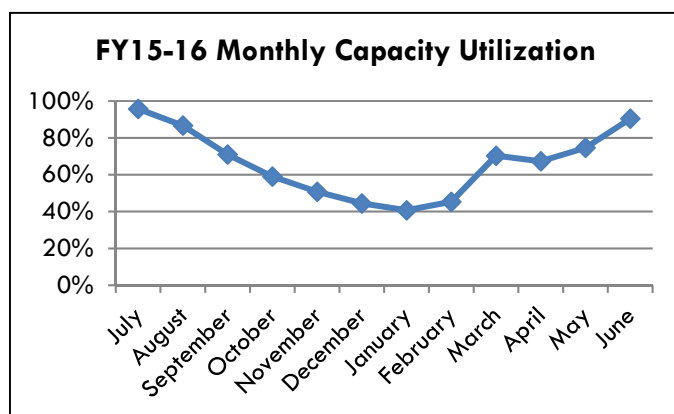
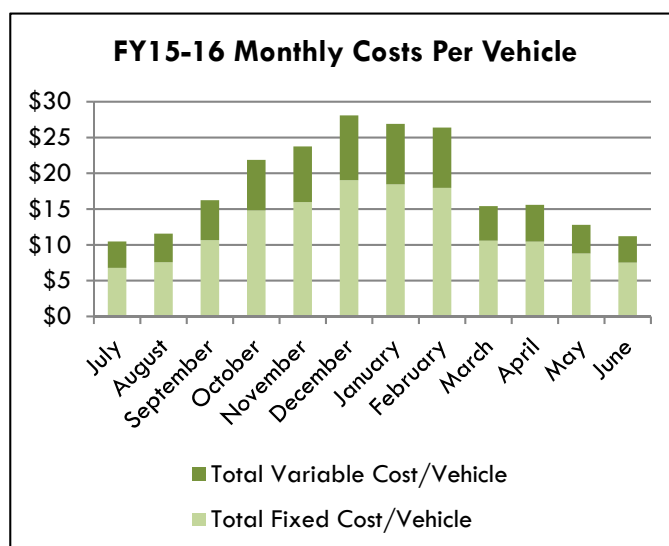
Route Information FY15–16:

Counties:	Brunswick, New Hanover
Primarily Serves:	Commuters, tourists
Route Distance:	4 miles
Sailing Time:	35 minutes
Passenger Vehicle Fare:	\$5 - \$15
Daily Crossings:	28 - 32



Route Performance FY15–16:

Vehicles Transported:	204,799
Percent Out of State Vehicles:	32.7%
Operating Costs:	\$3,313,918
Variable Costs:	\$1,086,725
Average Cost Per Vehicle:	\$16
Average Cost Per Crossing:	\$326
Variable Cost Per Crossing:	\$107
Sailings on Time:	95.5%
Change in Ridership FY08-09 to FY15-16:	+32.7%



Notes: Operating costs were calculated by the Program Evaluation Division based on information provided by the Ferry Division. Operating costs include labor (terminal and vessel), fuel, maintenance (terminal, vessel, and docks), and dredging costs. Costs related to system executive management and system-wide administrative activities were not included. Variable costs were calculated by the Program Evaluation Division based on information provided by the Ferry Division. Variable costs include fuel and vessel maintenance costs.

Cedar Island - Ocracoke

Route Information FY15–16:

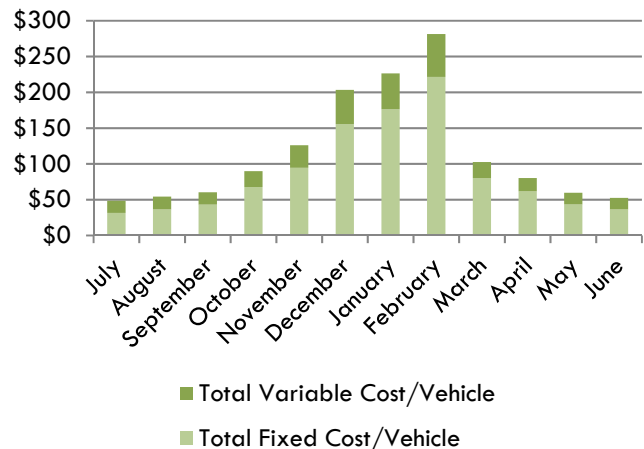
Counties:	Carteret, Hyde
Primarily Serves:	Ocracoke residents, tourists
Route Distance:	26 miles
Sailing Time:	2 hours, 15 minutes
Passenger Vehicle Fare:	\$15 - \$45
Daily Crossings:	6 – 10



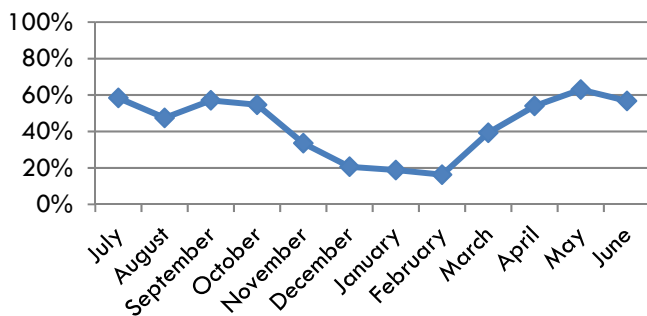
Route Performance FY15–16:

Vehicles Transported:	47,336
Percent Out of State Vehicles:	58.4%
Operating Costs:	\$3,797,950
Variable Costs:	\$1,011,051
Average Cost Per Vehicle:	\$80
Average Cost Per Crossing:	\$1,505
Variable Cost Per Crossing:	\$401
Sailings on Time:	95.2%
Change in Ridership FY08-09 to FY15-16:	-29.9%

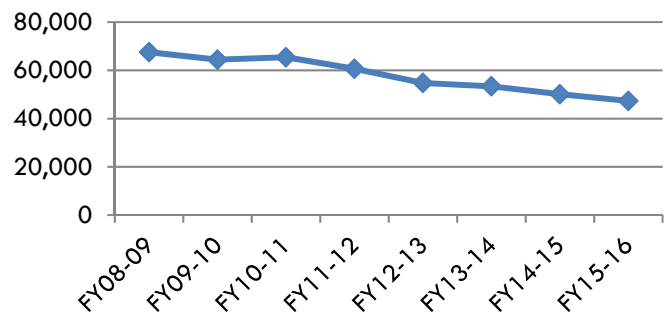
FY15-16 Monthly Costs Per Vehicle



FY15-16 Monthly Capacity Utilization



Yearly Vehicle Ridership



Notes: Operating costs were calculated by the Program Evaluation Division based on information provided by the Ferry Division. Operating costs include labor (terminal and vessel), fuel, maintenance (terminal, vessel, and docks), and dredging costs. Costs related to system executive management and system-wide administrative activities were not included. Variable costs were calculated by the Program Evaluation Division based on information provided by the Ferry Division. Variable costs include fuel and vessel maintenance costs.

Swan Quarter - Ocracoke

Route Information FY15–16:

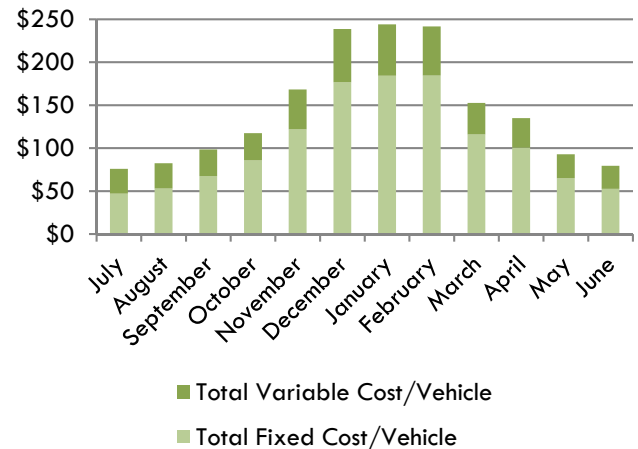
County:	Hyde
Primarily Serves:	Ocracoke residents, tourists
Route Distance:	30 miles
Sailing Time:	2 hours, 40 minutes
Passenger Vehicle Fare:	\$15 - \$45
Daily Crossings:	6 – 8



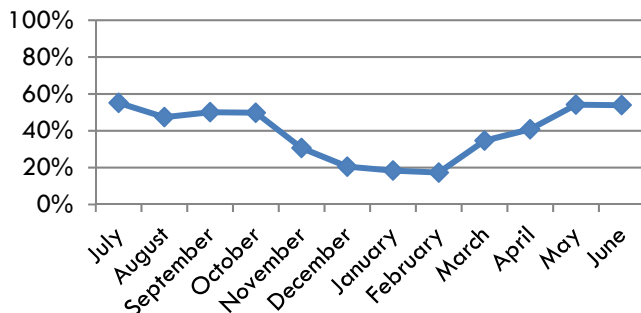
Route Performance FY15–16:

Vehicles Transported:	33,405
Percent Out of State Vehicles:	57.4%
Operating Costs:	\$3,923,919
Variable Costs:	\$1,147,959
Average Cost Per Vehicle:	\$117
Average Cost Per Crossing:	\$1,623
Variable Cost Per Crossing:	\$475
Sailings on Time:	94.9%
Change in Ridership FY08-09 to FY15-16:	+32.5%

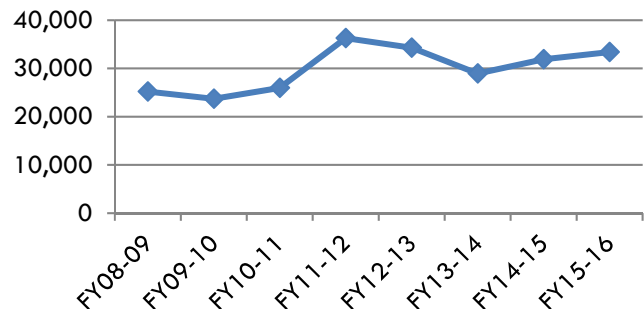
FY15-16 Monthly Costs Per Vehicle



FY15-16 Monthly Capacity Utilization



Yearly Vehicle Ridership



Notes: Operating costs were calculated by the Program Evaluation Division based on information provided by the Ferry Division. Operating costs include labor (terminal and vessel), fuel, maintenance (terminal, vessel, and docks), and dredging costs. Costs related to system executive management and system-wide administrative activities were not included. Variable costs were calculated by the Program Evaluation Division based on information provided by the Ferry Division. Variable costs include fuel and vessel maintenance costs.

Appendix B: Publicly-Owned Ferry Systems in North America

Ferry System	Area Served	Governance Model	Operating Expenses (FY 2013)	Farebox Recovery Ratio (FY 2013)	Annual Vehicles (FY 2013)	Annual Passengers (FY 2013)	Number of Annual Crossings (FY 2013)
Ferry Division	Eastern North Carolina	Government Line Agency	\$37,104,016	6%	834,625	1,923,100	64,644
Steamship Authority	Martha's Vineyard and Nantucket	Public Authority	\$85,964,000	93%	614,434	2,846,691	22,050
British Columbia Ferries	British Columbia Coast	Public Corporation	\$538,198,669	83%	7,748,743	19,919,098	183,800
Washington State Ferries	Washington and Vancouver Island	Government Line Agency	\$227,349,000	70%	10,045,000	22,395,000	158,858
Cape May-Lewes	New Jersey and Delaware	Public Authority	\$22,358,231	58%	256,971	742,938	4,650
Golden Gate Ferries	San Francisco Bay	Transportation District	\$27,461,000	55%	N/A (Passenger-only)	2,324,874	17,249
Alaska Marine Highway	Alaska, British Columbia, and Washington	Government Line Agency	\$172,527,000	25%	108,797	313,311	3,682
Staten Island Ferries	New York City	Government Line Agency	\$115,126,620	N/A (Toll free)	N/A (Passenger only)	21,399,000	35,979

Notes: FY 2013 denotes the period from July 1, 2012 through June 30, 2013 except for the Steamship Authority and Cape May-Lewes ferry systems, for which it denotes the period from January 1, 2013 through December 31, 2013, and the British Columbia ferry system, for which it denotes the period from April 1, 2012 through March 31, 2013. As reported in the referenced study, operating expenses do not include capital expenditures nor depreciation and amortization.

Source: Program Evaluation Division based on A 2015 Comparison of Operational Performance: Washington State Ferries to Ferry Operators Worldwide (March 2015) and a review of applicable ferry system websites.

Appendix C: Governance Structure Alternatives

Governance Structure	Description	Strengths	Weaknesses
Government Line Agency	A Government Line Agency is a separate division within a state agency that receives state funding. The ferry system owns and operates vessels and terminals as part of a mandate to provide basic transportation infrastructure. State funding may be supplemented by fares or other revenue sources.	<ul style="list-style-type: none"> • Responsive to public through election of the Governor as the chief executive • Legislation and processes already in place • Facilitates coordination and planning across other transportation modes • Offers access to low cost of capital and direct federal grants for capital projects 	<ul style="list-style-type: none"> • Subject to senior management turnover due to gubernatorial elections • Requires ferries to compete internally for budget before even going to the legislature • Lacks incentives for improvements in efficiency
Public/Private Corporation	A public-private corporation is a private company, operating vessels that are either owned or leased by the operator, that works with public agencies to develop routes and their associated terminals. The company pays for use of the public facilities and is free to establish schedules, rates, and business practices to create financial return within any associated regulatory constraints.	<ul style="list-style-type: none"> • Government ownership of assets provides access to federal funds and lower borrowing costs • Government can exercise powers of eminent domain to develop new terminals and connecting roads • Private operator would have financial incentives to grow non-fare revenue and improve system efficiencies • Public sector has a major role in service planning 	<ul style="list-style-type: none"> • Objectives of the public entity (providing transportation to support residents and the economy) are not necessarily aligned with the objectives of the private entity (to make a profit for its shareholders) • Potential difficulty in attracting qualified private firms if financial incentives are weak • Private operator may not be as responsive to the needs of the communities or may shift resources to routes that are more profitable
Public Authority	A public authority is an independent government entity is created to focus on a specific set of objectives. There is enabling legislation that defines the scope and powers of the authority. The management of the authority is overseen by a governing board.	<ul style="list-style-type: none"> • Provides management stability. • Responsible for achievement of the specified goals and objectives of established service area • Strong checks and balances to ensure specific area goals and objectives effectively contribute to the State's goals 	<ul style="list-style-type: none"> • May not be able to react quickly to events or changes that affect its mission or funding source • Governing board may not reflect some key constituencies • Multiple authorities with overlapping service areas may result in conflicting goals and objectives
Public Corporation	A public corporation is a corporation that provides transportation services with some level of revenue support from the regional government. The corporation is governed as a commercial entity with a board of directors but has its shares held on behalf of the public.	<ul style="list-style-type: none"> • Insulates management from political considerations • As a corporation owned by the State, it would be exempt from federal and state income taxes • Finances are transparent and subject to periodic approvals by public shareholders 	<ul style="list-style-type: none"> • Key stakeholders such as residents or employees may feel marginalized • Transportation costs and their impact on local economies may not be integrated into a larger economic or transportation strategy • Requires predictable on-going financial support from government to provide basic transportation to isolated communities

Governance Structure	Description	Strengths	Governance Structure
Private Corporation	A private corporation is a private company that owns all assets and is free to establish business practices that create financial return within regulatory constraints. It operates with no assistance from state, city, or federal government, nor does it receive funds from those entities.	<ul style="list-style-type: none"> Requires limited support from government Offers more nimble operation due to minimal labor constraints Possesses ability to change service delivery without extensive public input or legislative oversight 	<ul style="list-style-type: none"> Would cause some communities to lose service unless there was a government guarantee Eliminates access to federal funds or state bonds for capital projects resulting in a higher cost of capital Ability to recapitalize fleet is questionable without some certainty in revenue stream for debt repayment
Transportation District	A transportation district is a public entity operating multiple modes of transportation for the economic benefit of a defined geographical area. Ferry operations are typically one portion of the larger transportation entity and may be subsidized by other modes or by taxation within the geographical area.	<ul style="list-style-type: none"> Allows transportation coordination across regional boundaries such as cities, counties, and unincorporated areas Depending upon the size of the region served, can manage more extensive and expensive projects such as building a light rail network that integrates with existing services 	<ul style="list-style-type: none"> Creates competition against other regions for funding from state and federal sources Size of organizations may result in slow response to changing conditions

Source: Program Evaluation Division based on a review of literature on transportation governance.



STATE OF NORTH CAROLINA
DEPARTMENT OF TRANSPORTATION

ROY COOPER
GOVERNOR

JAMES H. TROGDON, III
SECRETARY

October 2, 2017

Mr. John W. Turcotte, Director
Program Evaluation Division
300 North Salisbury Street, Suite 100
Raleigh, NC 27603-5925

Dear Mr. Turcotte:

Thank you for the opportunity to review and respond to the Program Evaluation Division's (PED) report entitled "Reducing Off-Season Crossings, Adjusting Fares, and Using Partnerships Can Improve Ferry Division Efficiency." Please accept this letter as the Department of Transportation's formal response.

NCDOT appreciates the hard work by PED staff that has gone into this report. We recognize the significant time PED staff spent researching our Ferry Division, including visiting the system, assets and people. We view this report as an opportunity to improve our services while implementing further efficiencies.

The summary and the recommendations sections both mentioned potential cost savings as a result of reductions in service during periods of low use. The Ferry Division continuously evaluates the crossing schedules to ensure that the ferry services cost-effectively meet the needs of both area residents and tourists. Ferry Division management constantly performs analysis of ridership data, seasonality and trends to modify the schedules while carefully balancing the level of service that is expected by both area residents and tourists, as well as the need to ensure licensed personnel obtain adequate hours "at sea" to fulfil their licensure requirements as per Coast Guard regulations.

The report also mentions utilizing partnerships with other governmental entities and the private sector to better leverage resources and effectiveness. NCDOT appreciates the acknowledgement in the report of our current partnerships with local government entities on projects such as the passenger ferry. The Ferry Division, along with NCDOT as a whole, is committed to improving and increasing our partnerships with other government entities and the private sector.

Mailing Address:
NC DEPARTMENT OF TRANSPORTATION
FACILITIES MANAGEMENT UNIT
1525 MAIL SERVICE CENTER
RALEIGH, NC 27699-1525

Telephone: (919) 707-4540
Fax: (919) 715-0399
Customer Service: 1-877-368-4968

Website: www.ncdot.gov

Location:
1 SOUTH WILMINGTON STREET
RALEIGH, NC 27601

The development of a long-range plan was also mentioned in the summary and the recommendations sections. NCDOT recognizes the importance of long-range planning, especially in regards to specialty niches such as the Ferry Division. As mentioned in this report, NCDOT already has several plans and studies that are pertinent to the Ferry Division, but none specifically on long-term planning. This is an item that the Department would certainly like to discuss with leadership in the General Assembly and work toward a plan that involves all parties.

In conclusion, NCDOT and the Ferry Division appreciate the time and effort that went into this report. Once again thank you for the opportunity to respond to the report and its recommendations.

Sincerely,



MG(R) James H. Trogdon, III, PE
Secretary
North Carolina Department of Transportation

Cc:

Route	Date	InState	OutState	WalkOns	Bicycles	Motorcycles	Singles	Doubles	Triples	Total Vehicles	Total Spaces	Total Passengers	Commuters	Left Behind	No Fee	% Capacity
Southport to Fort Fisher	Jul-15	9340	3658	868	416	250	12664	65	19	12998	13101	43693	1219	4238	106	99.2%
Southport to Fort Fisher	Aug-15	8363	3360	488	304	352	11292	66	13	11723	11815	35997	1247	2262	88	99.2%
Southport to Fort Fisher	Sep-15	6365	2062	315	239	340	8014	51	22	8427	8522	21207	1454	509	81	98.9%
Southport to Fort Fisher	Oct-15	4984	1042	240	165	174	5791	53	8	6026	6095	13214	1493	138	88	98.9%
Southport to Fort Fisher	Nov-15	4935	818	121	83	92	5574	71	16	5753	5856	12182	1689	183	72	98.2%
Southport to Fort Fisher	Dec-15	4059	573	132	64	84	4498	42	8	4632	4690	9407	1504	25	59	98.8%
Southport to Fort Fisher	Jan-16	4408	460	82	21	45	4785	33	5	4868	4911	9550	1780	16	68	99.1%
Southport to Fort Fisher	Feb-16	4314	594	93	58	51	4814	38	5	4908	4956	9335	1796	24	74	99.0%
Southport to Fort Fisher	Mar-16	6751	1601	290	156	136	8147	53	16	8352	8437	20413	1904	753	118	99.0%
Southport to Fort Fisher	Apr-16	6869	1504	233	254	209	8085	53	26	8373	8478	20412	1636	352	82	98.8%
Southport to Fort Fisher	May-16	7994	2053	288	263	322	9619	75	31	10047	10184	25709	1799	626	102	98.7%
Southport to Fort Fisher	Jun-16	9092	2686	620	311	297	11386	72	23	11778	11896	35473	1441	1898	98	99.0%
Southport to Fort Fisher Total		77474	20411	3770	2334	2352	94669	672	192	97885	98941	256592	18962	11024	1036	98.9%
Grand Total		77474	20411	3770	2334	2352	94669	672	192	97885	98941	256592	18962	11024	1036	
										98.9%		19.4%		11.3%		

Route	Date	InState	OutState	WalkOns	Bicycles	Motorcycles	Singles	Doubles	Triples	Total Vehicles	Total Spaces	Total Passengers	Commuters	Left Behind	No Fee	% Capacity
Fort Fisher to Southport	Jul-15	11135	3237	844	446	182	14117	61	12	14372	14457	46814	1418	5709	78	99.4%
Fort Fisher to Southport	Aug-15	10045	2792	500	305	247	12506	67	17	12837	12938	38476	1381	3373	87	99.2%
Fort Fisher to Southport	Sep-15	6577	1104	263	227	112	7501	51	17	7681	7766	19368	1262	684	53	98.9%
Fort Fisher to Southport	Oct-15	5608	923	231	185	101	6365	50	15	6531	6611	14591	1416	351	53	98.8%
Fort Fisher to Southport	Nov-15	5253	615	118	98	75	5718	58	17	5868	5960	12456	1522	167	45	98.5%
Fort Fisher to Southport	Dec-15	4533	466	134	74	74	4871	41	13	4999	5066	10456	1397	80	53	98.7%
Fort Fisher to Southport	Jan-16	4608	595	83	18	34	5127	37	5	5203	5250	10501	1670	103	72	99.1%
Fort Fisher to Southport	Feb-16	4762	667	101	52	36	5343	43	7	5429	5486	10747	1603	73	78	99.0%
Fort Fisher to Southport	Mar-16	7819	1385	282	153	98	9042	53	11	9204	9279	22652	1945	1163	103	99.2%
Fort Fisher to Southport	Apr-16	8147	1254	221	238	202	9119	61	19	9401	9500	23330	1664	882	90	99.0%
Fort Fisher to Southport	May-16	9596	1336	292	242	259	10579	73	21	10932	11047	28007	1807	1023	79	99.0%
Fort Fisher to Southport	Jun-16	10451	2454	631	309	183	12635	73	14	12905	13006	38147	1679	2687	90	99.2%
Fort Fisher to Southport Total		88534	16828	3700	2347	1603	102923	668	168	105362	106366	275545	18764	16295	881	99.1%
Grand Total		88534	16828	3700	2347	1603	102923	668	168	105362	106366	275545	18764	16295	881	99.1%
										99.1%		17.8%		15.5%		

The Cape Fear Rural Transportation Planning Organization serves as the intergovernmental organization for local elected officials, the North Carolina Department of Transportation, and residents of Brunswick, Columbus and Pender counties to work cooperatively to address regional transportation issues.

February 16, 2018

Ms. Julie White
Deputy Secretary for Multi-Modal Transportation
North Carolina Department of Transportation
1501 Mail Service Center
Raleigh, NC 27699-1501

Dear Ms.White,

The Cape Fear Rural Transportation Planning Organization recently became aware of the Final Report to the Joint Legislative Program Evaluation Oversight Committee (Report No. 2017-09) evaluating NCDOT's ferry operations. We recognize that the Ferry Division was evaluated prior to your tenure with NCDOT, but we assume you will be in frequent contact with decision makers regarding any proposed actions taken as a result of the recommendations in the report.

Our organization is very supportive of the ferry system, especially the Southport-Fort Fisher ferry. In fact, we have adopted three resolutions since 2014 supporting increased ferry fares on the Southport-Fort Fisher route (attached). However, we have several concerns about some recommendations in the report we want to make sure you are aware of for any dealings you may have internally at NCDOT and with members of the General Assembly or their staff.

First of all, NCGS 136-82(d) reserves toll revenues generated on the Southport-Fort Fisher route for vessel replacement projects on that route. Our support for fare increases on this route presumes the route will be the beneficiary of those increased revenues, and we are strongly in favor of preserving the reserve account system. Similarly, we are concerned that the study suggests raising fares on only 3 routes but appears to suggest that revenues should be shared across all ferry operations. Secondly, we are very concerned that any reduction in service may have a significant negative impact on ferry use and revenues collected. Third, data provided to us previously by NCDOT indicates that a significant number ($\pm 13\%$) of vehicles were left behind on the Southport-Fort Fisher route during the same period evaluated in the report, presumably because of insufficient capacity. In fact, even during the months of lowest use, 1% of vehicles were left behind. Fourth, we are very supportive of the recommendation to conduct a long-range plan of ferry operations. The report admits that the evaluation sufficient data to conduct a complete analysis. Therefore, we believe that any significant changes to ferry operations, especially reductions in service, should be delayed until after completion of a thorough long-range plan.

We are happy to discuss this matter further if you have any questions or feedback, and look forward to participating in a long-range plan and any other ferry planning efforts.

Sincerely,

Frank Williams, Chair
Cape Fear Rural Transportation Planning Organization

CC: Sen. Bill Rabon
Rep. Frank Iler
David Howard

**CAPE FEAR RURAL PLANNING ORGANIZATION
TRANSPORTATION ADVISORY COMMITTEE**

RESOLUTION 14-02

**A RESOLUTION IN SUPPORT OF A TOLL RATE INCREASE
FOR THE SOUTHPORT-FORT FISHER FERRY**

WHEREAS, the Rural Transportation Advisory Committee is the duly recognized transportation decision making body for the Cape Fear Rural Planning Organization (CFRPO), as authorized under NCGS 136-211; and

WHEREAS, in 2013, the North Carolina General Assembly mandated that new capital improvements to the ferry system be funded through the Strategic Transportation Initiative (STI) or by revenue-raising initiatives such as tolling, advertising, and concessions; and

WHEREAS, the North Carolina Board of Transportation has approved a tolling methodology which tolls routes by distance travelled and raises approximately five million dollars a year for ferry replacement; and

WHEREAS, there is no proposed change in the price of a Commuter Pass, thereby protecting regular users from increased costs; and

WHEREAS, all fares collected will only fund new ferry vessels and ferry improvements that directly benefit the Southport-Fort Fisher Ferry; and

WHEREAS, the Southport-Fort Fisher Ferry route is currently tolled; and

WHEREAS, the NCDOT is proposing to retain the same fares for pedestrians, bicycles and motorcycles but increase the fares for vehicles less than 20 feet from \$5 to \$7, between 20 feet and 40 feet from \$10 to \$14 and greater than 40 feet from \$15 to \$28.

WHEREAS, public comment at a February 18, 2014 meeting at Southport City Hall, as well as electronic mail received by RPO staff, was generally supportive of a rate increase; and

NOW THEREFORE, be it resolved that the Cape Fear Rural Planning Organization's Transportation Advisory Committee hereby supports the proposed ferry toll increase for the Southport-Fort Fisher Ferry.

ADOPTED at a regular meeting of the Cape Fear Rural Planning Organization Transportation Advisory Committee on May 22, 2014.



Frank Williams, Chair



Allen Serkin, Secretary

**CAPE FEAR RURAL TRANSPORTATION PLANNING ORGANIZATION
TRANSPORTATION ADVISORY COMMITTEE**

RESOLUTION 16-02

**A RESOLUTION REAFFIRMING SUPPORT OF A TOLL RATE INCREASE
FOR THE SOUTHPORT-FORT FISHER FERRY**

WHEREAS, the Rural Transportation Advisory Committee (RTAC) is the duly recognized transportation decision making body for the Cape Fear Rural Planning Organization (RPO), as authorized under NCGS 136-211; and

WHEREAS, in 2013, the North Carolina General Assembly mandated that new capital improvements to the ferry system be funded through the Strategic Transportation Initiative (STI) or by revenue-raising initiatives such as tolling, advertising, and concessions; and

WHEREAS, the North Carolina Board of Transportation approved a tolling methodology but has taken no action to increase fares on the Southport-Fort Fisher Ferry; and

WHEREAS, the Southport-Fort Fisher Ferry route is currently tolled and all fares collected fund new ferry vessels and ferry improvements that directly benefit the Southport-Fort Fisher Ferry; and

WHEREAS, in 2014, the NCDOT proposed to retain the same fares for pedestrians, bicycles and motorcycles but increase the fares for vehicles less than 20 feet from \$5 to \$7, between 20 feet and 40 feet from \$10 to \$14 and greater than 40 feet from \$15 to \$28; and


WHEREAS, there is no proposed change in the price of a Commuter Pass, thereby protecting regular users from increased costs; and

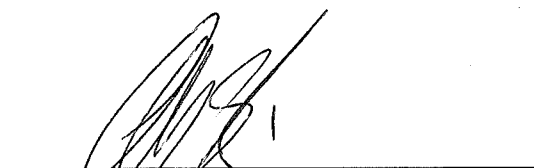
WHEREAS, public comment at a February 18, 2014 meeting at Southport City Hall, as well as electronic mail received by RPO staff, was generally supportive of a rate increase; and

WHEREAS, on March 22, 2014, the RTAC adopted a resolution in support of increasing the fares on the Southport-Fort Fisher Ferry; and

NOW THEREFORE, be it resolved that the Cape Fear Rural Planning Organization's Rural Transportation Advisory Committee hereby reaffirms its support for the proposed ferry toll increase for the Southport-Fort Fisher Ferry.

ADOPTED at a regular meeting of the Cape Fear Rural Planning Organization Transportation Advisory Committee on May 20, 2016.


Frank Williams, Chair


Allen Serkin, Secretary

**CAPE FEAR RURAL TRANSPORTATION PLANNING ORGANIZATION
TRANSPORTATION ADVISORY COMMITTEE**

RESOLUTION 17-05

**A RESOLUTION REAFFIRMING SUPPORT OF A TOLL RATE INCREASE
FOR THE SOUTHPORT-FORT FISHER FERRY**

WHEREAS, the Rural Transportation Advisory Committee (RTAC) is the duly recognized transportation decision making body for the Cape Fear Rural Planning Organization (RPO), as authorized under NCGS 136-211; and

WHEREAS, in 2013, the North Carolina General Assembly mandated that new capital improvements to the ferry system be funded through the Strategic Transportation Initiative (STI) or by revenue-raising initiatives such as tolling, advertising, and concessions; and

WHEREAS, the North Carolina Board of Transportation approved a tolling methodology but has taken no action to increase fares on the Southport-Fort Fisher Ferry; and

WHEREAS, the Southport-Fort Fisher Ferry route is currently tolled and all fares collected fund new ferry vessels and ferry improvements that directly benefit the Southport-Fort Fisher Ferry; and

WHEREAS, in 2014, the NCDOT proposed to retain the same fares for pedestrians, bicycles and motorcycles but increase the fares for vehicles less than 20 feet from \$5 to \$7, between 20 feet and 40 feet from \$10 to \$14 and greater than 40 feet from \$15 to \$28; and

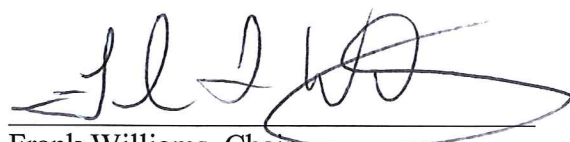
WHEREAS, there is no proposed change in the price of a Commuter Pass, thereby protecting regular users from increased costs; and


WHEREAS, public comment at a February 18, 2014 meeting at Southport City Hall, as well as electronic mail received by RPO staff, was generally supportive of a rate increase; and

WHEREAS, on March 22, 2014 and May 20, 2016, the RTAC adopted a resolution in support of increasing the fares on the Southport-Fort Fisher Ferry; and

NOW THEREFORE, be it resolved that the Cape Fear Rural Planning Organization's Rural Transportation Advisory Committee hereby reaffirms its support for the proposed ferry toll increase for the Southport-Fort Fisher Ferry.

ADOPTED at a regular meeting of the Cape Fear Rural Planning Organization Transportation Advisory Committee on August 18, 2017.


Frank Williams, Chair


Allen Serkin, Secretary



STATE OF NORTH CAROLINA
DEPARTMENT OF TRANSPORTATION

ROY COOPER
GOVERNOR

JAMES H. TROGDON, III
SECRETARY

January 31, 2018

Cape Fear Council of Governments - Project Update List
Division 3 – Brunswick, New Hanover and Pender Counties

TIP Projects under construction

Contract C203922: Greenfield Lake: Realign and upgrade intersection at SR 1436/US 421 and SR 1140 (Burnett Blvd.) south of Willard Street.

Original traffic pattern open December 2017

- Contractor has completed the culvert.
- Full intersection opened to Traffic
- Sewer line work away from traffic remains.
- Contractor working on punch list items.
- Punch list completion tentatively end of February

Contractor: Mountain Creek Contractors Inc.

Bid Amount: \$3,156,247.36

Completion Date: April 2018

Percent Complete: 100.0%

R-2633 BA – (Wilmington Bypass: C203199) construct a 4-lane divided highway from US 74/76 (near Malmo) to SR 1430 (Cedar Hill Road).

Anticipated to open Mainline to traffic on December 18, 2017.

Work will continue on Mt. Misery and Cedar hill road until Spring of 2018.

Roadway:

- Progress on mainline continues as 95% is covered with asphalt.
- Working on guardrail/guiderail.
- Working on grading approach slabs for last incomplete structures on mainline.

Contractor: Barnhill Contracting

Estimated Completion Date: June 2018

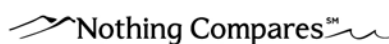
Percent Complete: 87.2%

R-2633 BB – (Wilmington Bypass: Bridge over Cape Fear River: C203198) construct a 4-lane divided highway from SR 1430 (Cedar Hill Road) to US 421 (where I-140 currently ends in New Hanover County...this includes the large bridge over the Cape Fear River).

Anticipated to open Mainline to traffic on December 15, 2017.

- 90% complete on the roadway portion of the project.

Contractor: Balfour Beatty Infrastructure



Estimated Completion Date: June 2018

Percent Complete: 98.0%

R-3324 – (Long Beach Road Extension: C202155) construct a 2-lane, 2-way roadway from NC 133 (near Jump & Run Creek) to NC 87. Most of this roadway will be on new location.

Contractor: Balfour Beatty Infrastructure

Bid Amount: \$22,082,124.13

Waiting on Final Estimate

Percent Complete: 100%

B-5103: (C203540) replace bridge #35 over the abandoned railroad on SR 1627 (3rd Street), in Wilmington.

Bid Amount: \$4,640,453.87

Percent Complete: 99.9%. Waiting on final estimate.

U-3338B: (C203772) Widening of Kerr Ave. from Randall Parkway to MLK, Jr. Prkwy. Installing storm drain throughout project, and grading Multi-Use Path at Kerr and Randall Prkwy.

Multi-Use path at Kerr Ave. and Randall Prkwy. is paved.

- Mast arm for traffic signal has been installed at Kerr Ave. and Randall Prkwy.
- Sidewalk, curb and gutter installed from STA 31+08 to 50+00 LT –L-
- Curb and Gutter, installed on Cinema Drive from STA 14+50 to 8+85 LT and RT
- Sidewalk installed on Cinema Dr from STA 14+50 to 8+85 RT

Contractor: Sealand Contractors Corp.

Bid Amount: \$22,000,000.58

Estimated Completion date: November 2018

Percent Complete: 58.8%

Wrightsville Avenue (EB-4411C: DC00119):

Widen for bike lanes on SR 1411 (Wrightsville Ave.) from Huntington Ave. to US 76 (Oleander Drive). Pavement markings have been placed.

Contractor: Highland Paving Company

Bid Amount: \$1,540,740.05

Percent Complete: 100.0%. Waiting on Final Estimate

B-4929: (C203789) Bridge @ Surf City NC 50/210 - replace bridge #16 over the inter-coastal waterway with a fixed span high rise structure.

Contractors placed concrete at the following locations: Bent 19, Pier's 6 and 8, Bent 20, Pier's 6 and 8. Contractors placed concrete at span A of the bridge deck. Contractors placed concrete at the Bent 12 columns.

Contractor: Balfour Beatty Infrastructure

Bid Amount: \$53,651,508.35

Estimated Contract Completion Date November 2020

Percent Complete: 53.4%

B-5236: (C203957) Bridge #19 Over Lords Creek on SR 1100 (River Road) – replace 2-lane bridge over Lords Creek.

Contractor: ST Wooten Corporation

Bid Amount: \$1,577,790.76

Estimated Contract Completion Date November 2018

Percent Complete: 16.2%

ER-2971: (DC00194) Ocean Isle Beach Roundabout – Hwy 179 (Beach Drive) at Hwy 904 (Causeway Drive) SR 1184 (Ocean Isle Beach Road) in Ocean Isle

Contractor: Triangle Grading & Paving Inc.

Bid Amount: \$1,849,999.35

Estimated Completion Date: May 2018

Percent Complete: 14.4%

Future Projects

R-3300B: US 17 Hampstead Bypass: Construct a four lane divided roadway on mostly new location from NC 210 to Sloop Point Loop Road. **R-3300B currently funded in DRAFT 2018-2027**

STIP. ROW and Utilities: FY 2018 – FY 2020.

Let date for construction: FY 2020.

U-5732: Hampstead Median Project: US 17 (Ocean Highway in Hampstead)
Convert to superstreet from SR 1582 (Washington Acres Road) to SR 1563 (Sloop Point Loop Road). Median project has been combined with Hampstead Bypass to accelerate the completion of the Bypass.

Let Date September 2020

R-3300B: project may be accelerated to build and open the Bypass for use as a detour during the median project construction.

Dan Owen Drive connector to Factory Road: Roadway being constructed to alleviate traffic volume off of Hampstead Median Project while being built and to reduce the number of vehicle crashes. Currently staking ROW. NCDOT to construct connector road in 2018.

R-3300A: US 17 Hampstead Bypass: Construct a four lane divided roadway from NC 210 to I-140 south of Hampstead. **Currently unfunded section of Hampstead Bypass. However, Design and Right of Way has been approved. NCDOT is pursuing funds to meet the same construction let date as R-3300B.**

U-5732: US 17 (Ocean Highway in Hampstead)

Convert to superstreet from SR 1582 (Washington Acres Road) to SR 1563 (Sloop Point Loop Road). **Note: Will be built in conjunction with Hampstead Bypass.**

Let Date September 2020

U-4751: Military Cutoff Road Extension: extending Military Cutoff Road from Market Street to the Wilmington Bypass, with an interchange at the Bypass.

West of US 17 Business (Market Street) to US 17 Business (Market Street) SR 1403 (Middle Sound Loop Road).

Bid date: November 22, 2017

Estimated start date: Early 2018 (Realignment of Lendire Road is complete).

R-5021: widening of NC 211 from NC 87 to SR 1500 (Midway Road) to a 4-lane divided facility.
Let Date June 2018

U-4902 C&D: US 17 Business (Market Street) construct a “superstreet” (median) from SR 2734 (Marsh Oaks Drive) to Lendire Drive & from Station Road to US 74 (MLK Parkway/Eastwood Road).
Let Date October 2018

B-4590: replace bridge #29 over Smith Creek on NC 133 (Old Castle Hayne Road)
Let Date December 2018

U-5710: US 74 (Eastwood Road) from Burnett Avenue to US 117 (Shipyard Blvd) upgrade the roadway. **Let Date July 2021**

U-5729: US 421 (Carolina Beach Road) from Burnett Avenue to US 117 (Shipyard Blvd) upgrade the roadway. **Let Date July 2021**

FS-1003B: Feasibility Study US 421 (Carolina Beach Road) study the widening of roadway from Sanders Road to NC 132 (College Road).
Feasibility Study in progress.

U-5790: US 421 (Carolina Beach Road) widen existing US 421 from Sanders Road to NC 132 (College Road) and construct fly-overs at Monkey Junction intersection
Design Build Selection Date January 2020

U-5731: US 74 (US 17/US 421 in Wilmington)
Construct a Fly-Over and Free Flow Ramp at interchange. **Let Date September 2022**

R-5701: US 117 Business (Intersection of N. Walker Street and E. Wilmington Street)
Construct roundabout.
Let Date for construction: FY 2020

U-5734: US 421 (South Front Street)
Widen to multi-lanes from US17 Business/US 76/US 421 (Cape Fear Memorial Bridge) to US 421 (Burnett Blvd.)
Let Date September 2023. Right of Way and Utilities Let 2021

U-5710: US 74 (Eastwood Road) construct an interchange at the at-grade intersection of SR 1409 (Military Cutoff Road) & US 74 (Eastwood Road)
Let Date January 2022

FS-1503A: Feasibility Study US 17 Bus. (Market Street) study the at-grade intersection of US 17 Business (Market Street), US 74 (MLK Parkway) & US 74 (Eastwood Road) for installment of an interchange.
Feasibility Study in progress.

FS U-5734: Feasibility Study S. Front Street study the widening of S. Front Street from the intersection of Burnett Blvd. and US 421 (Carolina Beach Road), to Dawson Street.
Environmental Assessment in progress.

B-5236: replace bridge #19 over Lords Creek on SR 1100 (River Road)
Let Date November 2017

R-5021: widening of NC 211 from NC 87 to SR 1500 (Midway Road) to a 4-lane divided facility.
Let Date for construction: FY June 2018. ROW in progress

U-5788: US 17 Business (Main Street) Realign intersection at Wall Street and Shallotte Avenue
Let Date ROW: FY 2018, construction: FY: 2020

U-5862: US 17 (Shallotte Bypass) Upgrade intersection to interchange SR 1357 (Smith Avenue)
Let Date ROW and construction: FY: 2020

U-5914: NC 133 Modernize Intersection at US 17/US 74/ US 76 to SR 1554 (Old River Road).
Let Date construction: FY: 2020

U-5932: US 17 Convert Intersection to Interchange.
Let Date construction: FY: 2024

R-3436: Carolina Bays Parkway Extension

Project Overview and Purpose

The N.C. Department of Transportation, along with the S.C. Department of Transportation, is planning to build a multi-lane expressway that extends Carolina Bays Parkway (S.C. 31) from S.C. 9 in Horry County, S.C., across the North Carolina state line to U.S. 17 in Brunswick County.

The extension would provide a more direct and efficient movement of traffic seeking to bypass congestion within the areas of Calabash in North Carolina as well as Little River and the Grand Strand areas in South Carolina. It would also improve traffic flow and safety at the intersection of S.C. 9 and S.C. 57 and provide a more direct route for coastal truck traffic moving through North Carolina.

Project Highlights

A team of engineering firms, led by CALYX Engineers and Consultants, is under contract to conduct project development and environmental studies, which are being led by NCDOT and SCDOT in cooperation with local, state and federal agencies in both states.

Project development and environmental studies are underway to evaluate potential routes for the roadway from an engineering and environmental standpoint and to select a preferred route.

Although the project is funded for study, no schedule has been established for right-of-way acquisition or construction, which is not currently funded in North Carolina.

- Capacity analysis for the existing roadways is about to get underway. They will be looking at current and future conditions.

Non Highway projects

AV-5739: Cape Fear Regional (SUT) Approach clearing at runway 5 and Runway 23.

In Progress

AV-5742: Odell Williamson Municipal Airport (60J) Runway Protection Zone 2 – Runway 24.

Currently in Land Acquisition

AV-5744: Henderson Field (ACZ) Extend runway to 5500 FT.

LET Date for construction: FY 2018

Resurfacing Contracts - New Hanover County

New Contract: New Hanover County: Resurfacing Contract: 2018CPT.03.04.10651; C203888

US 76 E. & W., US 421 (3) + NC State Port.

No activity to report to date

Mill & Resurface the following primary and secondary routes in New Hanover County:

2018CPT.03.03.10101 and 2018CPT.03.04.10651 DC00172

US 17 Bus. East/US 76 East – Ocean Hwy E. from New Hanover County Line northwest past underpass.

US 17 Bus. W/US 76 West – Ocean Hwy E.

US 421 N. Ramp – From US 421 to off ramp onto US 76/421

US 17 Bus. E./US 76 E. (US Hwy. 74/76) – From New Hanover County Line to Cape Fear Memorial Bridge. Bridge #13.

US 17 Bus. W./US 76 W (US Hwy. 74/76) - From New Hanover County Line to Cape Fear Memorial Bridge. Bridge #13.

US 421 N. (Carolina Beach Rd.) – From Snows Cut Bridge, north to SR 1187 (Sanders Road).

US 421 S. (Carolina Beach Rd.) – From Snows Cut Bridge south to SR 1187 (Sanders Road).

NC 132 N. (South College Rd.) – near SR 1521 (Piner Road) north to 17th Street.

NC 132 S. (South College Rd.) – From 17th Street south near SR 1521 (Piner Road).

SR 1318 (Blue Clay Rd.) – From the intersection of SR 1302 (23rd St.) and Blue Clay Rd. north to the intersection of Blue Clay Rd. and N. College Rd.

SR 1492 (Myrtle Grove Rd.)

SR 1333 (Hermitage Rd.) – From NC 133 to SR 2157 (Crowatan Rd.)

SR 2158 (Hermitage Rd.) – From SR 2157 (Crowatan Rd.) to end of road.

SR 2157 (Crowatan Rd.) – From NC 133 to SR 1333 (Hermitage Rd.)

SR 2159 (Chesterfield Rd.) – From end of SR 1333 (Hermitage Rd.) to end of SR 2159 (Chesterfield Rd.)

SR 2228 (Dekker Rd.)

SR 1317 (Chadwick Ave.) – From Castle Hayne Rd. to end of SR 1317 (Chadwick Ave.)

SR 2697 (Memory Lane) – From Bountiful to end of SR 2697 (Memory Lane).

SR 1852 (Shore Point Dr.)

SR 1853 (Conch Dr.)

SR 1882 (Abalone Dr.) (Coquina Dr.) and (Cowrie Lane) – Located off of Edewater Club Dr. in Porters Neck.

SR 2908 (Conquina Dr.) – Located off of Edewater Club Dr. in Porters Neck.

SR 2537 (Duck Downe Ct.)

SR 2023 (Diamond Shamrock Rd.) – Located off of SR 1002 (Holly Shelter Rd.)

SR 1823 (Kenmore Dr.) – Located off of SR 1403 (Middle Sound Loop Rd.)

SR 1824 (Brandywine Circle) – Located off of SR 1403 (Middle Sound Loop Rd.)

SR 1826 (Homestead Ct.) – Located off of SR 1403 (Middle Sound Loop Rd.)

SR 1825 (Salem Ct.) – Located off of SR 1403 (Middle Sound Loop Rd.)

SR 2024 (Krauss Ln.) – Located off of Division Dr.

SR 2322 (Walker Ridge Ct.) - Located off of Carolina Beach Rd. (North)

SR 2326 (Bainbridge Ct.) - Located off of Carolina Beach Rd. (North)

SR 2327 (Alden Ct.) - Located off of Carolina Beach Rd. (North)

SR 2021 (Wordsworth Dr.) – Located off of North College Rd.

SR 2168 (Pine Knolls Rd.) – Located off of SR 1322 (Murrayville Rd.)

SR 2733 (Miranda Ct.) – Located off of W. Northchase Prkwy.

SR 2732 (Lakemoor Dr.) – Located off of W. Northchase Prkwy.

SR 2230 (Edward Hyde Place) – Located off of W. Northchase Prkwy.

SR 2231 (John Yeamen Rd.) – Located off of SR 2230 (Edward Hyde Place)

SR 2730 (Nevan Ln.) – Located off of W. Northchase Prkwy.

SR 2004 (Kings Dr.) – Located off of N. Coilege Rd.

SR 2264 (Jason Ct.)

SR 2657 (William Louis Dr.)

SR 2658 (Brandy Ct.)

SR 1375 (Lockwood Dr.)

SR 1376 (Glenlea Dr.)

SR 1374 (Alandale Dr.) – Located off of N. Kerr Ave.

SR 1377 (Lynbrook Rd.)

SR 2206 (W. Northchase Prkwy.) – Located on N. College between SR 2257 (SE Northchase Prkwy.) and SR 2652 (NE Northchase Prkwy.)

SR 2767 (Ammons Drive) – Located off of W. Northchase Prkwy.

SR 2234 (Brittany Rd.) – Located off of SR 1322 (Murrayville Rd.)

SR 2235 (Creek Ridge Rd.) – Located off of SR 1322 (Murrayville Rd.)

SR 2117 (Shenandoah St.) – Located off of SR 1322 (Murrayville Rd.)

SR 2072 (Kerry Dr.) – Located off of Holly Shelter Rd.

SR 2073 (McGregor Rd.) – Located off of Holly Shelter Rd.

SR 2074 (Berwick Dr.) – Located off of Holly Shelter Rd.

NC State Port Authority (Patching)

SR 1971 (Humphrey Dr.)

SR 1345 (Alexander Rd.) – Located off of Market Street

SR 1923 (Lost Tree Rd.) – Located off of N. Market Street
SR 1930 (Bright Leaf Rd.)
SR 1979 (Harlandale Rd.)
SR 1989 (Haven Way) – Located off of Middle Sound Loop Rd.
Following roads are located off of SR 2048 (Gordon Rd.)
SR 2622 (Bay Blossom Dr.)
SR 2626 (Winter Moss Ln.)
SR 2665 (Hopscotch Dr.)
SR 2666 (Sapling Circle)
SR 2667 (Splitbrook Ct.)
SR 2672 (Loblolly Ct.)

**Mill & resurface the following primary routes in New Hanover County: 2017CPT.03.07.20651.
DC00172**

SR 1318 (Blue Clay Rd.) – from radius at intersection of SR 1322 (Kerr Ave.) to pvmt seam at US 117. 2.89 miles.
SR 1324 (Sheridan Dr.) – from NC 133 to SR 1325 (Long Leaf Drive).
SR 1325 (Long Leaf Dr.) – from SR 1326 (Laurel Drive) to SR 1358 (Holland Drive).
SR 1326 (Laurel Dr.) – from SR 1358 (Holland Drive) to dead end.
SR 1332 (Chair Rd.) – from NC 133 west on NC 133.
SR 1382 (Garden Place Dr.) – from NC 132 to SR 1387 (Hyacinth Ave.).
SR 1383 (Wedgewood Rd.) – from SR 1382 (Garden Place Dr.) to dead end.
SR 1387 (Hyacinth Ave.) – from SR 1382 (Garden Place Dr.) to dead end.
SR 1668 (Balsam Dr.) – from SR 1667 (Hickory Knoll Dr.) to SR 1668 (Balsam Dr.).
SR 1669 (Darley Ln.) – from SR 1667 (Hickory Knoll Dr.) to SR 1686 (Royal Oak Dr.).
SR 1686 (Royal Oak Dr.) – SR 1492 (Myrtle Grove Rd.) to SR 1667 (Hickory Knoll Dr.).
SR 2071 (Arlene Dr.) – from NC 133 to end of maintenance.
SR 2181 (Blue Clay Rd. / Dairy Farm Rd.) – from SR 1002 (Holly Shelter Rd.) to SR 1336 (Sidbury Rd.).
SR 2199 (Creekstone Ln.) – from SR 1335 (Parmele Rd.) to end of maintenance.
SR 2200 (Plum Tree Lane) – from SR 2199 (Creekstone Ln.) to end of maintenance.
SR 2501 (Access Rd. to Monkey Jct.) – from US 421 to US 421.
SR 1322 (Murrayville Rd.) – from SR 2234 (Brittany Rd.) to SR 2691 (Retriever Dr.).
SR 2313 (Wilshire Blvd.) – from west of SR 1175 (Kerr Ave.) to east of Rosemont Ave.
SR 1400 (Flutch Creek Rd./Champ Davis Rd.) – from south of SR 2845 (Market Street) to SR 1491 (Porters Neck Rd.).
SR 2652 (Northchase Pkwy. NE) – from US 117 to cul-de-sac

Let Date Spring: 2017

Estimated Completion Date: January 2018

Percent Complete: 93.5%

Mill & resurface the following primary routes in New Hanover County:

US 421 (Carolina Beach Road) – from 0.26 miles south of Independence Blvd. (non-system portion) to west of Lake Shore Drive (non-system)
US 117 Northbound Lanes (Shipyard Blvd) – from US 421 to 0.05 miles east of US 421 (Carolina Beach Road)

US 117 Southbound Lanes (Shipyard Blvd) – from 0.20 miles east of US 421 to US 421 (Carolina Beach Road)
US 421 Southbound Lanes (South 3rd Street) – from US 76 (Dawson Street) to Greenfield Street (non-system)
US 421 Northbound Lanes (South 3rd Street) – from Greenfield Street (non-system) to US 76 (Dawson Street)
US 17 Business (South 3rd Street) – from US 76 eastbound lanes to US 76 westbound lanes.

Mill & resurface the following secondary routes in New Hanover County:

SR 1218 (16th Street) – from US 76 westbound lanes (Wooster Street) to US 76 eastbound lanes (Dawson Street)
SR 1371 (16th St.) - from Grace Street (non-system) to US 17 Business (Market Street)
SR 2816 (16th St.) - from US 17 Business (Market Street) to US 76 westbound lanes (Wooster Street)
SR 1301 (17th Street) - from US 17 Business (Market Street) to Grace Street (non-system)
SR 2817 (17th Street) - from US 76 eastbound lanes (Dawson Street) to US 17 Business (Market Street)
SR 1411 (Wrightsville Avenue) - from Dawson Street Extension (non-system) to SR 1209 (Independence Blvd.)

Resurface the following secondary routes in New Hanover County:

SR 2699 (Amsterdam Way) - from SR 2700 (Old Dairy Rd.) to SR 2048 (Gordon Rd.)
SR 2701 (Antilles Ct.) - from SR 2698 (Netherlands Dr.) to end maintenance
SR 2698 (Netherlands Dr.) - from SR 2048 (Gordon Rd.) to SR 2700 (Old Dairy Rd.)
SR 2700 (Old Dairy Rd.) - from US 17 Bus. (Market St.) to SR 2699 (Amsterdam Way)
SR 2220 (Windmill Way) - from SR 2219 (N. Green Meadows Dr.) to SR 2700 (Old Dairy Rd.)
SR 2183 (Spring Rd) - from NC 133 (Castle Hayne Rd.) to SR 2184 (Fairfield Rd.)
SR 2184 (Fairfield Rd.) - from SR 2183 (Spring Rd) to SR 1318 (Blue Clay Rd)

Widen & resurface following routes in New Hanover County:

SR 1940 (Covil Farm Rd) - from SR 1409 (Military Cut-Off Rd) to SR 1916 (Red Cedar Rd)
SR 2717 (Torchwood Blvd.) - from US 17 Bus. (Market St.) to SR 2718 (Beacon Dr.)
Mill & resurface a section & just resurface another section of SR 1363 (Bayshore Dr.) from US 17 Bus. (Market St.) to SR 1393 (Biscayne Dr.)

New Hanover:

I-40 – milling & resurfacing from Gordon Road interchange to NC 210 interchange

I-40 – milling & resurfacing from US 117 interchange to mile post 393 (approximately 3.5 miles east of US 117 interchange)

No activity to report to date

New Hanover County: Resurfacing Contract: C203868, I-5760

I-140 (Wilmington Bypass) resurface from I-40 to US 421 & reconstruction of bridge approaches, joint repair & signals.

Contractor: Barnhill Contracting Company

Estimated Contract Completion Date: January 2018

Percent Complete: 73.0%

New Hanover County: Resurfacing Contract: 2017CPT.03.01.10651; C203888

US 117/NC 132 (College Road) from US 17 Business (Market Street) to SR 2313 (Wilshire Blvd.)

WBS #36249.3622; C203888 City of Wilmington signal plan modifications & work to install pedestrian upgrades at the intersection of US 117/NC 132 (S. College Road) and SR 2313 (Wilshire Blvd) to US-17 Business.

Includes safety projects:

W-5203AA construct offset left turn lanes on College Road & Hurst/Hoggard Drive upgrade pedestrian facilities to high visibility crosswalks w/ countdown pedestrian heads. Extend sidewalk to connect with existing sidewalk.

W-5601BB install high visibility crosswalks & push button pedestrian signals at the intersection of College Road & New Center Drive.

Contractor: Barnhill Contracting Company

Percent Complete: 44.2%.

Estimated Contract Completion Date: February 2018

Brunswick County Resurfacing Contracts

Resurfacing Contract: C203480 3CR.10101.150, 3CR.20101.150, 3CR.10651.150, 3CR.20651.150 & 3CR.10711.150 Barnhill Contracting

Brunswick County primary routes:

US 17 Business – mill & resurface from US 17 (south end of US 17 Bus.) to US 17 (@ nose of concrete island)...Bolivia area

US 17 Bypass (Southbound lanes) – patch, mill & resurface from 0.17 miles north of SR 1401 (Galloway Road) to 0.09 miles south of SR 1401

Contractor: Barnhill Contracting Company

Percent complete: 100.0%

- **Project List updated January 31, 2018**

If you have any questions, please contact Alan Pytcher at: (910) 341-2000 or apytcher@ncdot.gov

Cape Fear RPO Division 6 Columbus County Project Report - February 2018

Active Projects: Bridge/Safety/Maintenance/Resurfacing, etc.

C203642

REPLACEMENT OF 7 BRIDGES IN COLUMBUS COUNTY: BRIDGE STRUCTURES #230013 ON NC 410; #230118 ON SR 1317 (CLARENDON CHADBOURN RD); #230126 ON SR 1005 (PEACOCK RD); #230167 ON SR 1379 (HINSON CROSSROADS RD); #230171 ON SR 1414 (BRASWELL RD); #230175 ON SR 1504 (WILLIAMSONS XRD); #230308 ON SR 1005 (PEACOCK RD)

Let Date: 4-21-2015

Work Began: 12-4-2015

Estimated Completion: 9-1-2018

Scheduled Progress: 65%

Actual Progress 73.53%

Contractor: E.S. Wagner Company, LLC - South CA

Contract Amount: \$5,038,195

C203861

COLUMBUS PRIMARY AND SECONDARY ROADS RESURFACING: NC 214 FROM US 74 BUS TO US 74; SR 1731 (BLACK RD) FROM SR 1740 (OLD LAKE ROAD) TO SR 1730 (OLD NORTHEAST ROAD), SR 1735 (CHAUNCEYTOWN RD) FROM SR 1730 (OLD NORTHEAST ROAD) TO NC 214

Let Date: 5-17-2016

Work Began: 12-1-2016

Estimated Completion: 7-30-2017

Scheduled Progress: 100%

Actual Progress: 100%

Contractor: Barnhill Contracting Company

Contract Amount: \$6,170,750

PROJECT COMPLETE

C204040 (B-5699, B-5700, B-5711)

REPLACE 1 BRIDGE IN COLUMBUS COUNTY (B-5699), 1 BRIDGE IN CUMBERLAND COUNTY (B-5700) AND REPLACE 1 BRIDGE IN HARNETT COUNTY (B-5711). COLUMBUS CO: (B-5699) REPLACE BRIDGE #68 ON NC 214

Let Date: 6-6-2017

Work Began: 11-27-2017

Estimated Completion: 11-18-2018

Scheduled Progress: 7.5%

Actual Progress: 7.37%

Contractor: Smith-Rowe

Contract Amount: \$5,491,634

Columbus Project Cost: \$1,250,000

DF00163

RESURFACING ON NC 410 FROM US 74 BUSINESS TO END OF C&G NEAR SMITH STREET; RESURFACING, MILL, FILL, PAVEMENT MARKINGS

Let Date: 6-21-2017

Work Began: 9-13-2017

Estimated Completion: 11-15-2017

Scheduled Progress: 100%

Actual Progress: 100%

Contractor: Barnhill

Contract Amount: \$898,989

PROJECT COMPLETE

DF00170

REPLACE BRIDGE #259 & #262 OVER DANS CREEK ON SR 1836 BYRDVILLE-FREEMAN RD

Let Date: 6-21-2017

Work Began: 10-11-2017

Estimated Completion: 2-21-2019

Revised Completion Date: 3-8-2019

Scheduled Progress: 62%

Actual Progress: 14.13%

Contractor: Civil Works Contracting, LLC

Contract Amount: \$904,565

Cape Fear RPO Division 6 Columbus County Project Report - February 2018

Active Projects: Bridge/Safety/Maintenance/Resurfacing, etc.

DF00120

BRIDGE REPLACEMENT, GRADING, DRAINAGE, PAVING, STRUCTURE - BRIDGES #93 SR 1005 (PEACOCK RD), #138 SR 1412 (BLACKWELL RD) & #274 SR 1824 (WATER TANK RD)

Let Date: 2-17-2016

Work Began: 5-23-2016

Estimated Completion: 5-2-2018

Scheduled Progress: 100%

Actual Progress: 86.55%

Contractor: The Tara Group of Lumberton INC

Contract Amount: \$1,895,949

Bridge#138 on SR 1005 (Peacock Road) PROJECT COMPLETE

Bridge#274 on SR 1824 (Water Tank Road) PROJECT COMPLETE

DF00162

RESURFACING ON NC 11 FROM SR 1740 TO NC 87 & VARIOUS SECONDARY ROUTES

Let Date: 6-7-2017

Work Began: 9-21-2017

Estimated Completion: 8-31-2018

Scheduled Progress: 0%

Actual Progress: 7.27%

Contractor: Barnhill

Contract Amount: \$1,599,045

DF00178 (R-5786A)

2017 ADA CURB RAMP IMPROVEMENTS VARIOUS LOCATIONS IN BLADEN, COLUMBUS & ROBESON COUNTIES

Let Date: 8-16-2017

Work Began: 11-6-2017

Estimated Completion: 5-31-2018

Scheduled Progress 20%

Actual Progress: 18.02%

Contractor: Jymco Construction Company, INC

Contract Amount: \$611,680

Upcoming Projects: STIP/Bridge/Safety/Maintenance/Resurfacing, etc.

DF00148

RESURFACING ON VARIOUS SECONDARY ROUTES - SR 1304 (W RAILROAD ST), SR 1306 (NEW WAREHOUSE RD), SR 1311 (FOWLER RD), SR 1342 (HAYES RD), SR 1346 (GAPWAY CHURCH RD), SR 1350 (WORLEY RD), SR 1379 (HINSONS CROSSROADS RD), SR 1380 (HECK RD)

Let Date: 1-18-2017

Work Began: TBD

Estimated Completion: TBD

Scheduled Progress: 0%

Actual Progress 0%

Contractor: Whitehurst Paving Co

Contract Amount: \$1,254,029

DF00169

REPLACE BRIDGE #84 ON SR 1119 (WRIGHT ROAD) OVER JUNIPER SWAMP; REPLACE BRIDGE #196 ON SR 1003 (SILVER SPOON ROAD); REPLACE BRIDGE #198 ON SR 1546 (BILL HOOKS ROAD)

Let Date: 6-21-2017

Availability Dates: Bridge #84: 7-30-2017; Bridge #196: 9-5-2017; Bridge #198: 11-27-2017

Work Began: TBD

Estimated Completion: 1-24-2019

Scheduled Progress: 0%

Actual Progress: 0%

Contractor: Civil Works Contracting, LLC

Contract Amount: \$1,754,870

W-5601EV

US 74 IMPROVEMENTS - CONSTRUCT DIRECTIONAL CROSSOVERS ON US 74 FROM SR 1824 WATER TANK RD TO JUST EAST OF THE BRUNSWICK COUNTY LINE IN COLUMBUS COUNTY

R/W Date: 6-30-2017

Let Date: 8-21-2018

Project Cost: \$3,255,000

Project Status: Public Meeting held 5-1-2017

Preliminary ROW Plans - July 2017



STATE OF NORTH CAROLINA
DEPARTMENT OF TRANSPORTATION

ROY COOPER
GOVERNOR

JAMES H. TROGDON, III
SECRETARY

Friday February 16, 2018

Nazia Sarder
Transportation Engineer
NCDOT Transportation Planning Branch
1 South Wilmington Street,
Raleigh, NC 27601

TAC TPD UPDATES CAPE FEAR RPO

February 16, 2018

Columbus County CTP – The engineer is working on completing Chapter 2 in the next couple of weeks.

Wilmington Model Update – Wilmington MPO has requested that TPB update their model to a base year of 2015, previously the base year was 2010. The model is being updated so it can be accurately used in the next MTP. We are in the SE data verification phase right now, once the locals verify the data we will move onto future year.

Wilmington CTP – With the model update, WMPO has also asked TPB to start on the Wilmington CTP update. We have yet to develop a schedule for this CTP and start – but will develop one in the next few weeks.

CTP 2.0 – The CTP 2.0 work is ongoing. TPD is currently reviewing the comments received on the draft maps and documentation. TPD is finishing the coordination with the multi-modal division.

Performance Measures – Performance management is a strategic approach that uses system information to make investment and policy decisions to achieve transportation system performance goals. TPD will be developing a committee with MPO and RPO representatives to establish targets and other requirements. NCDOT informed the MPOs

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RALEIGH, NC 27601

via email on October 19, 2017 about the established safety targets. MPOs are reminded that they must establish safety targets by February 27, 2018.

RPO Program Reviews: FHWA submitted their findings and recommendations for improvement to NCDOT. TPD has developed an action plan to address the recommendations. FHWA, NCDOT and the RPO Administrative Documents Committee will collaborate on the implementation of resulting changes.

Statewide Plan: TPD has selected WSP as the consultant for the Statewide Plan. A scope and schedule will be developed soon. As stakeholders, MPO/RPOs will be engaged throughout the process.

Corridor Studies: Work is underway on the first two master plans, as follows:

- Bundle #1 has been assigned to Kimley-Horn and includes **Corridor P** (Future I-42/US 70E/ NCR from I-440 in Wake County to Port at Morehead City), **Corridor S** (I-795/US 117 from I-95 in Wilson County to I-40 in Sampson County), and **Corridor X** (US 258/NC 11/US 13 from US 17 in Onslow County to US 64E in Edgecombe County)
- Bundle #2 has been assigned to Atkins, and includes **Corridor U** (US 74W/US 74E/I 74 from I-26 in Polk County to US 117 in Wilmington) and **Corridor D** (US 321/CSX from South Carolina state line to Tennessee state line).

Freight Plan: The Statewide Freight Plan was adopted by the BOT in September 2017 and approved by FHWA on November 21, 2017. It can be found online at <https://connect.ncdot.gov/projects/planning/Statewide-Freight-Plan/Pages/default.aspx>.

CMAQ: We are wrapping up the final FFY 2018 projects. Applications for funding in FFY 2019 are due in March 2018.

Traffic Forecast: The Traffic Forecast shapefile is under development (ArcGIS Online). The Traffic Forecasts layer is being finalized. A link was sent out to the TP Division to get input and updates are being finalized. A GIS unit e-mail was established that will be added to the CC list for all traffic forecast deliveries. The GIS Unit will process updates to the Traffic Forecasts GIS layer monthly. This layer will track in-progress and complete traffic forecasts back to 2013.