Coalfields Expressway Briefing
January 16, 2013

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District Administrator, Bristol District
AGENDA

• Overview of the Coalfields Expressway
• Purpose & Need
• Coal Synergy
• Regional Support
• Summary of CFX Benefits
• Q & A
The Coalfields Expressway
Purpose & Need

A LEGISLATIVE MANDATE

1995
Congress designates the Coalfields Expressway (CFX) in Virginia as a Congressional High Priority Corridor.

1995
Virginia lawmakers pass the Public Private Transportation Act allowing VDOT flexibility with private enterprise to build projects more quickly and cost effectively.

2001
Federal Highway Administration approves the Final Environmental Impact Statement for the proposed location of the CFX.

2002
VDOT works with KBR and begins preliminary engineering of Coalfields Expressway as a PPTA project. Due to escalating construction cost estimates, KBR and VDOT explore more economically viable alternatives in 2005.

2006
To substantially reduce costs, Alpha, Pioneer, KBR and VDOT explore an innovative, FHWA-approved construction process being used in West Virginia called “coal synergy.”

2008
The Federal Highway Administration approves the use of coal synergy for CFX based on the potential to reduce costs by 45% and expedite the construction schedule.

2011
The first 2-mile construction segment of CFX (“Hawks Nest”) is completed to rough grade and preliminary engineering begins on two additional segments (“Pound Connector” and “Doe Branch”).
Purpose & Need

**MILESTONES:** CONNECTING THE APPALACHIAN REGION

- **1964**: President’s Appalachian Regional Commission tells Congress that stimulating economic growth to help the people of Appalachia requires overcoming the region’s isolation.
- **1965**: Congress authorizes the construction of the Appalachian Development Highway System to generate economic development and connect Appalachia to the rest of the nation.
- **1995**: Virginia lawmakers pass the Public Private Transportation Act allowing VDOT flexibility with private enterprise to build projects more quickly and cost effectively.
- **2001**: Federal Highway Administration approves the Final Environmental Impact Statement for the proposed location of the CFX.
- **2002**: VDOT works with KBR and begins preliminary engineering of Coalfields Expressway as a PPTA project. Due to escalating construction cost estimates, KBR and VDOT explore more economically viable alternatives in 2005.
- **2006**: To substantially reduce costs, Alpha, Pioneer, KBR and VDOT explore an innovative, FHWA-approved construction process being used in West Virginia called “coal synergy.”
- **2008**: The Federal Highway Administration approves the use of coal synergy for CFX based on the potential to reduce costs by 45% and expedite the construction schedule.
- **2011**: The first 2-mile construction segment of CFX (“Hawks Nest”) is completed to rough grade and preliminary engineering begins on two additional segments (“Pound Connector” and “Doe Branch”).
## Purpose & Need: Transform a region

<table>
<thead>
<tr>
<th>Economic</th>
<th>Mobility</th>
<th>Safety</th>
<th>Capacity</th>
<th>Time</th>
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<tbody>
<tr>
<td>High unemployment. Poverty rate twice the state average.</td>
<td>Present routes mostly two-lane with severe topography.</td>
<td>Accident rate 13% higher than state average.</td>
<td>Local roads already near capacity in the 1990s.</td>
<td>Currently, over 4 ½ hours to drive Pound to Beckley.</td>
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<tr>
<td>29,359 jobs during construction. $4.1 billion Virginia economic impact.</td>
<td>Improved access to health care, employment and education.</td>
<td>Improves safety and reduces head-on collisions.</td>
<td>Opportunity for all to enjoy region’s recreation and beauty.</td>
<td>With CFX, less than 2 ½ hours to drive Pound to Beckley.</td>
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Coal Synergy: A viable funding solution

• “Coal Synergy” means coal partners’ larger earth movers prepare the road bed. Coal companies recover marketable coal reserves, and that saves 45% of the cost.

• Coal synergy helps the region diversify its economy and reduce dependence on coal.
  • “A once-in-a-lifetime opportunity…”
    VA Coalfield Economic Development Authority

With Coal Synergy $2.8 Billion

VS.

Without Coal Synergy $5.1 Billion

Note: 2013 estimated costs of CFX, connectors, and interchanges to Corridor Q.
Regional Support Sustained over the project.

- Local citizen support documented at all public hearings.

“The significance of the [CFX] Expressway cannot be overstated – it is essential to … help Buchanan County and all of Southwest Virginia to help itself.”

Robert Craig Horn, Buchanan County Administrator
November 6, 2012 letter to Bristol District Administrator

“This project represents the future of the economic development for Dickenson County. And just as important, to the improvement of the lives or our citizens.”

G. David Moore, Jr., Dickenson County Administrator
November 15, 2012 letter to Bristol District Administrator

"LENOWISCO believes this could be the most transforming transportation initiative in the history of the region."

Glen A. Skinner, Executive Director, LENOWISCO Planning District Commission
November 27, 2012 letter to Bristol District Administrator
CFX, an economic lifeline to a region that suffers from:

- High poverty
- Education below averages
- Slow population growth
- Economy that relies heavily on coal mining
- Little presence of high-tech industries
- Aging population

The CFX Corridor
Summary of CFX Benefits

- **During Construction:**
  - 29,359 construction jobs over 17 years
  - VA economic impact: $4.1 billion
- **After construction:**
  - 372 new service jobs
  - Annual VA impact $41.4 million
  - Plus $28.3 million annual savings from travel efficiencies

- **Economic Impact**
  - Port of Virginia benefits from quicker and easier access to America's marketplace.
  - Reduces trucking costs for region’s agriculture and manufacturing industries
  - Increases recreation & tourism

- **Better Access**
  - Safer, quicker travel times
  - Better access to jobs, education, healthcare, recreation
  - Reduce population loss

- **Quality of Life**
  - Economic development opportunities for localities
  - Increased tourism
  - Diversifying regional economy

- **Business Opportunities**