

US 321 Calibrating Our National Network to Encourage Commerce and Tourism – 321 CONNECT

PROJECT BUDGET

The North Carolina Department of Transportation (NCDOT) seeks \$30,945,000 in Nationally Significant Multimodal Freight and Highways Projects (INFRA) funds to maintain the project schedule for the shovel ready 321 CONNECT (Calibrating Our National Network to Encourage Commerce and Tourism) project between Gastonia and Lenoir, North Carolina. The funding will allow NCDOT to move forward with 2026–2035 State Transportation Improvement Program (STIP) project U-4700. Due to costs, the project has been split into multiple construction phases. U-4700A will improve US 321 from US 70 to US 321 Business in Hickory and is the only funded phase in the current STIP. INFRA funds will allow for the construction of NCDOT STIP project U-4700A, which has already been delayed due to escalating materials costs, to move forward. INFRA funding will allow NCDOT to construct critically needed improvements to US 321 in this western Piedmont area, including the replacement of two aging, functionally obsolete bridges over the Catawba River. Supplemental information for the project can be found on the [321 CONNECT project website](#).

PROJECT BUDGET, SOURCES, AND USES OF FUNDING

The U-4700 portion of 321 CONNECT has completed environmental documentation and right of way (ROW) designs. The Environmental Assessment was signed on February 25, 2016 and the Finding of No Significant Impact (FONSI) was signed on April 19, 2018. Public involvement activities for the project have included public hearings on July 11 and 12, 2016, as well as public meetings on July 27, 2017 and October 12, 2017. NCDOT has an active project website, which includes materials from the 2017 public meetings and would be updated to include award of funding under INFRA. ROW acquisition for U-4700A is complete.

Current cost estimates for U-4700A are based on 90% design plans and were updated in February 2026. Previously incurred costs for project development, environmental documentation, ROW plans and ROW acquisition are \$75 million. Total remaining costs for the project are \$290,163,223. North Carolina is providing a state match from Highway Trust Fund dollars. The remaining federal match is from National Highway Performance Program funds.

As shown in Table 1, the state share of the construction of U-4700A is 51% , with the federal share of the construction component is 49%, of which 11.0% will be INFRA funds. Cost estimates include a 5% contingency for structures and utilities and a 10% contingency for U-4700A roadway construction.

TABLE 1. 321 CONNECT Future Eligible Costs

Item	State Funds	Other Federal Funds	INFRA Funds	Total Funds
Roadway	\$76,700,183	\$57,215,447	\$16,476,885	\$150,392,515
Structures/Utilities	\$58,841,505	\$43,893,545	\$12,640,449	\$115,375,499
Contingency (5.89%)	\$8,482,812	\$6,346,508	\$1,822,186	\$16,651,506
Total	\$144,024,500	\$107,455,500	\$30,920,000	\$282,400,000
Flood Gauge	\$25,000		\$25,000	\$50,000
Total	\$144,049,500	\$107,455,500	\$30,945,000	\$282,450,000

The complete 2026 construction cost estimate is included in the supplemental materials on the [321 CONNECT website](#).

The following information summarizes the budget for 321 CONNECT:

- Project U-4700A is included in the current NCDOT STIP. ROW purchased to date have utilized GARVEE bond funding. As noted in the Project Budget, contingencies are provided.
- The 321 CONNECT needs INFRA funding for construction of U-4700A to ensure the project can be constructed as currently scheduled. 321 CONNECT would significantly advance the construction timeline of U-4700A. Costs have continually risen for the project based on materials costs as well as site constraints for ROW in Hickory, replacement of a Norfolk Southern railroad bridge over US 321, the costs of the grade separation over the Caldwell County Railroad (CWCY) line just south of the Catawba River, and the need to replace both bridges over the Catawba River. Any advancement of the project will provide the benefits described more quickly and will reduce maintenance needs for the bridges and other parts of the corridor.
- Construction on 321 CONNECT can begin within 18 months of funding obligation. The 321 CONNECT project has completed ROW design and ROW acquisition. Permitting and construction will begin within the scheduled timeline.
- NCDOT has the legal, financial, and technical capability to carry out the project. NCDOT has a long history of successful project delivery. The ROW plans are included in the application as supplemental materials. The financial plan, as discussed in Requirement V, is in place. NEPA documentation is complete and the risks of the project are clearly defined and have been mitigated. NCDOT has successfully delivered many USDOT grant projects and is in the process of finalizing contracts for the I-85 FUTURES and STERLING projects, which were awarded INFRA funds in 2023.

The proposed schedule for the project is shown below, assuming obligation of funds during calendar 2027.

TABLE 2. Project Schedule

MILESTONE	TIMELINE
INFRA Funding Obligated	Month 0
Permitting Complete	Month 6
Letting Complete	Month 12
Construction Initiation	Month 16
Construction Completion	Month 48