



**STATE OF NORTH CAROLINA
OFFICE OF STATE BUDGET AND MANAGEMENT**

PAT MCCRORY
GOVERNOR

ART POPE
STATE BUDGET DIRECTOR

July 25, 2013

MEMORANDUM

TO: Senator Phil Berger, President Pro-Tempore of the Senate
Representative Thom Tillis, Speaker of the House of Representatives

FROM: Donna S. Cox, Asst State Budget Officer *Donna S. Cox*

SUBJECT: Expenditures for Emergency Capital Projects

In accordance with G.S. 120-76.1 the following expenditures were approved without consulting the Joint Legislative Commission on Governmental Operations because of an emergency that posed an imminent threat to public health or public safety.

East Carolina University (ECU): The Health Sciences Campus Chiller #4, which is 25 years old, experienced a catastrophic failure of the flanged connection between the chiller and the condenser bundle. This resulted in the loss of 1,000 tons of cooling capacity on the campus. The chiller cannot be permanently repaired. The estimated cost is less than \$1,000,000 and will be paid from existing operating funds.

University of North Carolina at Chapel Hill (UNC-CH): The chiller serving the Coastal Processes Environmental Health Lab and the Fisheries Research Lab at UNC-Chapel Hill Institute of Marine Sciences facility located in Morehead City has failed. UNC has provided a temporary chiller and a permanent chiller will be replaced as soon as possible to keep both labs operational. The estimated cost of the temporary and permanent chillers is \$600,000 and will be funded from non-recurring capital funds.

cc: Art Pope
David Brown
Terrance Feravich
Greg Driver
Mark Bondo