## 2006

# HOUSE APPROPRIATIONSCAPITAL

# COMMITTEE MINUTES

# House Appropriations Subcommittee on Capital

Rep. Thomas Wright, Chairman Jamilah Sabir-Calloway, Committee Assistant

# Minutes

2006 Short Session

# HOUSE APPROPRIATIONS SUBCOMMITTEE ON CAPITAL 2005-2006 SESSION

MEMBER	ASSISTANT	<b>PHONE</b>	<b>OFFICE</b>	SEAT
Thomas Wright (Chairman)	Jamilah Sabir-Calloway	733-5754	528	5
	(Committee Assistant)			
Howard Hunter (Vice-Chair)	Barbara Phillips	733-2962	613	68
Roger West (Vice-Chair)	Linda Johnson	733-5859	1004	50
Alma Adams	John White	733-5902	542	67
Jeff Barnhart	Pamela Ahlin	715-2009	608	76
Nelson Cole	Suzanne Smith	733-5779	1218	45
Phillip Haire	Sara Jane Lennard	715-3005	419B	47
Mark Hollo	Martha Hoover	715-3009	418A	86
Verla Insko	Pam Evans	733-7208	2121	70
Joe Kiser	Marilyn Holder	733-5782	1326	40
Edgar Starnes	Pattie Fleming	733-5931	513	116
Douglas Yongue	Katie Stanley	733-5821	1303	84
Staff				
Jim Klingler	Fiscal Staff	733-4910		
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### HOUSE APPROPRIATIONS SUBCOMMITTEE ON CAPITAL

### ATTENDANCE SHEET

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DATES	May 17, 2006	May 24, 2006	May 31, 2006	June 1, 2006	June 7, 2006	June 8, 2006					
Thomas Wright (Chairman)	X	X	X	X	X	X					
Howard Hunter (Vice-Chair)											
Roger West (Vice-Chair)	X	X	X	X	X						
Alma Adams	X		X								
Jeff Barnhart			X			X					
Nelson Cole	X	X	X		X						
Phillip Haire	X	X	X	X	X						
Mark Hollo	X	X	X	X	X	X					
Verla Insko	X	X	X			X					
Joe Kiser	X	X	X								
Edgar Starnes			X	,							
Douglas <b>Yongue</b>											
Rep. Sherrill	X										
Rep. Ross	X										
Bill Owens						X	 		<del></del>		
Edd Nye	1					X					
Staff	1										-
Jim Klingler	X	X	X	X	X	X					
Committee Assistant											
Jamilah Sabir-Calloway	X	X	X	X	X	X					

North Carolina General Assembly Through House Committee on

Appropriations Subcommittee on Capital

Date: 07/27/2006 Time: 13:22

Page: 001 of 001 Leg. Day: H-173/S-175

2005-2006 Biennium

Introducer H2183 Crawford

 $\frac{\text{Short Title}}{\text{CAPITAL IMPROVEMENTS}} \qquad \frac{\text{Latest Action}}{\text{Ref To Com On}}$ RESERVE ACCOUNT.

Appropriations/

<u>In Date</u> <u>Out Date</u> <u>07-06-06</u> <u>07-10-06</u>

Base Budget

\*HR Ch. SL 2006-146

06-27-06 07-05-06

S1809= John H. Kerr III UNIVERSITY

INDEBTEDNESS PROJECTS.

### House Appropriations Subcommittee on Capital

### **Minutes**

May 17, 2006, 12:00 p.m. Room 643 Legislative Office Building

Representative Thomas Wright, Presiding

The House Appropriations Subcommittee on Capital met on Wednesday, May 17, 2006 at 12:00 noon in Room 643 of the Legislative Office Building. The following members were in attendance: Chairman Thomas Wright, Reps. West, Adams, Cole, Haire, Hollo, Insko, and Kiser. Reps. Sherrill and Ross also attended. Jim Klinger, from fiscal research and Jamilah Sabir-Calloway, committee assistant were also present. A list of visitors in attendance and an agenda are attached and made part of these minutes.

Chairman Wright called the meeting to order and introduced the House Pages and Sgt-At-Arms as listed on the attached roster. The chairman stated that the Committee would hear from the Governor's recommendations on Capital expenditures. A handout of the relevant section of the Governor's proposal starting on page 195 was distributed and are attached and made part of these minutes.

- 1. Department of Cultural Resources Governor's Recommended Capital
  - a. North Carolina Museum of Art Expansion
  - b. Horne Creek Farm Visitor Center

Chairman Wright called on Secretary Libba Evans, North Carolina Department of Cultural Resources. Secretary Evans stated that The North Carolina Museum of Art Expansion project is a \$40 million project [\$67 million is amount of money they have to date from all sources to build the museum] is set to go underway as soon as the budget is passed and expected to be completed in 2008. This building is to hold the expanding the collection and to hold all the permanent collection so that the other building can be used completely for education.

The Horne Creek Farm Visitor Center is in Surry County right near Pinnacle; it is a historic site. It was on scheduled to be built before Hurricane Floyd and at that point had a temporary mobile unit which has rotted out. We will build a barn that will be used for a visitor's center and to store the farm instruments in the bottom. It will be open for the public on the first floor and the second floor will be used for storage.

Chairman asked for questions and discussion. In answer to questions from the Committee, Secretary Evans stated that 75%-80% of the monies used to run the Art Museum come from private dollars.

Chairman Wright called on James Woodard, Veterans Home Program Manager to speak on the Veterans Affairs Nursing Homes. Mr. Woodard stated that they were proposing to construct two 100-bed State Veterans nursing homes in North Carolina; one in the eastern part and one in the western part of the State. These homes would house North Carolina veterans [there are 770,000 veterans present in North Carolina; with about 40% are age 65 and older.] We presently have two homes, one in Fayetteville and one in Salisbury. The total projected cost is \$25,066,395. Of that the Department of Administration is asking for 35%. The Department has filed for a Federal VA grant that would pay 65% of the construction cost, which would leave the State's share of \$8,773,300.

Chairman Wright asked for questions and discussion. Rep. Sherrill asked if the land adjacent to the VA Hospital at Oteen could be considered as a possible site for the western facility. Mr. Woodard stated that there were buildings on that site that would need to be demolished which had asbestos which made it cost prohibitive to consider. Rep. Sherrill requested that the vacant land adjacent to the site be considered and that Mr. Woodard's team collaborates with the Congressman. Mr. Woodard stated that they would like to get the land donated if possible as the VA does not provide funds for acquisition. In answer to a question from Rep. Haire, Mr. Woodard stated that for a veteran to go into a VA Nursing Home the veteran must be 70% or greater service connected disability. State VA Hospitals require only that the veteran has served a period of active duty, that a physician recommends that they need to be in the facility, they have been a resident of NC for two years, and that they have an honorable discharge. The Chair asked Mr. Woodard to work with staff and let him know about the advances in the progress he is making on the site acquisition issue for the western part of the State so that the Committee is informed.

- 2. Department of Administration Governor's Recommended Capital
  - a. Veterans Affairs Nursing Homes
  - b. McDowell Street Parking Deck

Chairman Wright called on Speros Fleggas, Deputy Secretary for Government Operations, Department of Administration to speak on the McDowell Street Parking Deck. There are proposing a 1200 space parking deck to be constructed at the corner of McDowell Street and Jones Street, across from the Dept. of Administration building. The master plan for the State Government Center indicates approximately 1000 spaces that are needed for that quadrant. The current surface parking lot has 200 spaces. This provides for what's in the master plan plus what spaces are taken for the construction of the deck.

- 3. Information Technology Services Governors Recommended Capital
  - a. State Data Center

Chairman Wright called on George Bakolia, State Chief Information Office to speak on the proposed second Data Center for the State of North Carolina. He gave a brief history. North Carolina has one primary data center in Raleigh, used by State agencies and uses an out-of-State vendor to provide a back-up site. The second data center would operate around the clock [7/24] and provide backup for critical State applications in case of natural disaster, Home Land Security incident or catastrophic failure to our primary data center. The center will also give additional flexibility to our in the form of flexibility in capacity as we embark on the new Enterprise HR System. The current vendor contract has become increasingly expensive and the State has outgrown the capabilities to serve North Carolina from its location in Philadelphia. The current recovery time for critical State applications in an emergency would be approximately 2-3 days; and it could be longer depending on the circumstances of whose occupying the emergency facility at that time. The second data center would cut that 2-3 day timeline to a matter of 4-6 hours because it will be completely operational on a daily basis. Currently NC is spending more that \$3 million each year for disaster recovery services but some agencies do not have a back up. The State has no comprehensive backup strategy or capability right now. The second data center would have capacity for 100% back up for critical applications used by State agencies. The target occupancy date is January 2008. The Chairman asked for questions. In answer to a question from Rep. Kiser, Mr. Bakolia stated that of the 30-50 people hired (once fully operational) about 20 employees at the new site would be operational staff. The remaining staff will be dealing with the actual management of the site including security. Mr. Bakolia stated that he would provide the Committee with a projected breakdown of the costs including land acquisition costs.

- 4. Department of Crime Control and Public Safety Governor's Recommended Capital
  - a. Emergency Operations Center
  - b. Marion Transportation Center

National Guard Headquarters is located now.

Doug Hoell, Director of Emergency Management was called on by the Chairman to speak to the Committee on the State's need for a new Emergency Operations Center.

Currently Emergency Management operates from the basement of the Administration Building, built in the 1960's as a civil defense emergency operations center and over the years the needs have grown and changes have taken place. They have outgrown that space. They have been afforded an opportunity with the National Guard which is about to build a new facility with Federal dollars. As they build their new facility the Office of Emergency Management has the opportunity to invest \$8.5 million to take advantage of the basement floor of that new construction; 40 thousand square feet of space that can be made available to the Division of Emergency Management for a new Emergency Management Operations Center. It would allow them to save \$430,000 per year in rental costs. In addition it would save \$4 million over what it

would cost to build a free-standing structure, just for an Emergency Operations Center. Chairman Wright asked for questions and discussion. Mr. Hoell, in answer to a question from the Chair, stated that the new facility will be located on the campus on Reedy Creek Road where the

Chairman Wright called on Doug Harbaugh, Director of Planning and Programming, NC National Guard to speak on the Marion Transportation Center. Mr. Harbaugh began by stating that this Amory was constructed in the 1980s of which the original construction was to house a combat arms unit. There are currently three transportation units in the mountains. Transportation units require parking lots because they are dealing with large trucks. When they moved the transportation unit to Marion they only put a portion of the parking at the existing parking lot which was of a limited size; the balance of the equipment when to other State-owned property, the Dept. of Corrections facility near by. They have lost their ability to park their excess equipment at that location. It is in the best interest of everyone to keep the equipment with the unit from which it is utilized. They have requested Federal Funds matching 50% for their request to provide expanded parking at the Marion Armory only for the transportation equipment assigned to that unit. There are a total of 40 trailers.

- 5. Department of Correction Governor's Recommended Capital
  - a. Morrison Correctional Facility Gatehouse/Security Drive
  - b. Regional Medical Center and Mental Health Center

Chairman Wright called on Boyd Bennett, Director of Prisons to give overview of the funding requests for the Morrison Correctional Facility and Regional Medical Center and Mental Health Center. Handouts for the respective facilities were distributed and are attached and made part of these minutes. Mr. Bennett first spoke about the need for a new fence system at Morrison Correctional Institution which is a large medium, minimum security facility with a population of a little over 800 inmates. The compound is over 30 acres which presently has seven guard towers providing security 24/7 over the outside fence system. They are proposing to convert the current labor intensive towered fence system to a new electronic intrusion system which is used at all of the new facilities being built in the State now. It is the type of system used by most new prisons throughout the United States. Under this proposal the 7 towers would not be manned; the fence would be guarded by roving patrol vehicles and there are electronic and computerized sensors on the fence system. This is a better utilization of staff and a better security system than we have now. Under this proposal we would eliminate 19 correctional officer positions that were vacant positions so no one would be sent home. It is an efficiency matter with an annual savings of \$645 thousand. We are gradually converting all of our older medium and close security prisons to the EIS systems. Morrison would be the 5<sup>th</sup> of 13 medium/close facilities that are being upgraded to

EIS systems. If approved this project would start in mid/late 2007 and would be completed in 2008.

The second issue Mr. Bennett presented to the Committee was the need for a new Central Prison Hospital and Mental Health Facility. He gave a brief history of the facility highlighting the problems that have evolved over the years to the current situation. 40% of inmate hospital admissions are done in community hospitals versus state prison hospitals. Central Prison hospital is inadequate and can no longer serve a growing prison population. Due to the condition of the other hospital in our system, McCain Correctional Hospital, there is no excess capacity to respond in the event of a critical systems failure or unforeseen natural disaster. Mr. Bennett stated that the current Central Prison Hospital is over 40 years old and shows signs of extreme wear. Problems include:

- The facility is extremely overcrowded for state and inmates
- Has no central fire alarm/smoke detection system or any fire suppression sprinklers
- No central air-conditioning system
- The operating room is no longer function a contract mobile operating room is used for same day/ambulatory surgeries
- Facility no longer fits the standard of a hospital
- A critical system failure could lead to closure of Central Prison Hospital

Mr. Bennett went on to list economic justifications for building a new Central Prison Hospital. They included:

- Substantial savings by carrying out inmates' medical treatment in a new prison hospital versus treatment in outside community hospitals
- Substantial savings will occur by not having to use correctional officers to guard inmates in outside hospitals
- Reduction in medical transportation costs
- Elimination of mobile operating room contract
- It is estimated that a new Central Prison Hospital will pay for itself in 10-12 years
- Reduction in staff turnover linked to poor and unsafe working conditions in current Central Prison Hospital and Mental Health facility

He then stated that providing more services within prison medical/mental health facilities will reduce public safety risks caused by having to guard prisoners 24/7 who are in outside hospitals.

The Chair asked about the issuance of Certificates of Participation (COPs) to pay for the project. Mr. Bennett deferred to Mr. Bill Stovall who the Chairman recognized to explain where the receipts would come from and how the debt would be retired. Mr. Stovall stated that the funding proposal for the correctional hospital is very comparable to what the State Treasurer has funded other capital projects. It involves a sale of COPs; a lease-purchasing arrangement whereby the owning agency (Corrections) would have an equivalent to a mortgage on the facility. In the past it would have been a debt that would be retired after 20 years. The lease payment is actually an appropriation to go into the State's debt service each year to service that debt until it's retired. The capital financing is generally phased based upon the needs of the project. This particular project is going to have a duration that will span between 5 and 6 years to get all phases of the construction fully complete. In most likelihood the Treasurer will time the offerings to coincide with the cash flow of the project. Chairman Wright asked when we could anticipate the first debt payment to come forward. Mr. Stovall responded that that would be up to the State Treasurer as to when the offering will occur.

In answer to a question from the Chair, Jim Klinger, Fiscal Research, stated that the Governor's proposal includes just over \$7 million in receipts to devote to this project which will reduce the overall issuance amounts to \$144 million in COPs; so there is a receipt portion to this total cost that is put before the Committee from the Governor's budget [\$151,864,137.]

Chairman Wright thanked Mr. Bennett for his presentation.

6. Department of Juvenile Justice and Delinquency Prevention – Governor's Recommended Capital a. New Youth Development Centers Safety/Security Fixtures and Furnishings

Chairman Wright introduced Dwayne Patterson, Deputy Secretary of the Department of Juvenile Justice and Delinquency Prevention to speak on their recommended capital appropriations request from the Governor. Mr. Patterson stated that the Department is requesting \$500,000 for fixtures, furnishings and equipment for the 5 new detention centers that have been approved by the General Assembly. The youth development centers will be in Lenoir, Edgecombe, Cabarrus, Chatham, and Guildford counties. These facilities are slated to open in late 2007. The total fixtures/furnishings costs are estimated to be close to \$1.5 million. The Department's \$500,000 request is so that they will have lead time to purchase the equipment for the opening in late 2007. Chairman Wright asked why is this request being made since the project is being funded by COPs. "Why don't we factor in the entire cost from start to finish if we are going to issue Certificates of Participation? I will be asking this of everyone coming back to ask for additional money."

The next meeting was scheduled for Wednesday, May 24, 2006 at 12:00 pm. The Chair encouraged members of this Subcommittee to take a tour of the State Lab, located at 306 North Wilmington Street; an available tour tomorrow morning at 9:00 a.m.

The meeting was adjourned.

Representative Thomas Wright, Chairman

Jamilah Şabir-Calloway, Committee Assistant

### HOUSE APPROPRIATIONS SUBCOMMITTEE ON CAPITAL

### ATTENDANCE SHEET

		AIII	 	 	 	 	 
DATES	May 17, 2006						
Thomas Wright (Chairman)	X						
Howard Hunter (Vice-Chair)							
Roger West (Vice-Chair)	X						
Alma Adams	X						
Jeff Barnhart							
Nelson Cole	X						
Phillip <b>Haire</b>	X			·			
Mark Hollo	X						
Verla Insko	X						
Joe Kiser	X						
Edgar Starnes	!						
Douglas Yongue							
Dan Shamill	V		 :				
Rep. Sherrill	X						
Rep. Ross	X		_				
<u>Staff</u>	-					:	
Jim Klingler	X						
<b>Committee Assistant</b>							
Jamilah Sabir-Calloway	X						

# House Appropriations Capital

Name Of Committee:\_

1. Name: David Eng
County: Alamance
Sponsor: Rep Cary Allred
2. Name: Will Fisher
County: Bladen County
Sponsor: Rep Edd Nye
3. Name: Will Inside
County: Bladen County.
Sponsor: Rep. Fdd Nye
4. Name: Emily Eng
County: Alamance
Sponsor: Rep. Nelson Dollar
5. Name:
County:
Sponsor:
Sgt-At-Arms
1. Name: Dusty RHODES
2. Name: CHAPLES Williams
3. Name: James Won75
4. Name: NELL CASPER
5. Name:

House of Appropriations

Name of Committee Subcommittee

on Capital

May 17, 2006 Date 12:00 pm

NAME	FIRM OR AGENCY AND ADDRESS	
JOHN GOODMAN	NCCBI	
PATRICK BUFFKIN	ALLEY ASSOC, INC.	
RilaHarro	NCSPH	
Losley Carles	or chspeaker	
Lawren Elinary	speaker's office	
Ben Turke	Rep. Hackney's Office	
Thomas Tate	Les Brubaker office	
Lyon Muchmon	Division of Fiscal Research	
Mar 1. Flen	Uniwaty System	•
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Mig Usidal	CHPH	(

HOUSE APPROPRIATIONS SUBCOMMITTEE ON CAPITAL MAY 17, 2006

Name of Committee

Date

NAME	FIRM OR AGENCY AND ADDRESS
Doug Lewis	DENR
Cathy Hardy	DENR
anita Meneil	DEND
AMY SIMES	DENR
Li Bria Stephens	NCGA- BILL Drafting
Dennifer Meaven	BilDraffina
Mansega	Dean Gon affans
Mark Strickland	Citizen
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HOUSE APPROPRIATIONS SUBCOMMITTEE ON CAPITAL

MAY 17, 2006

Name of Committee

Date

NAME	FIRM OR AGENCY AND ADDRESS
Norma Rosefield	DCR
JOE HENDERSON	NEDER
Greg Pinen	DCR
FRANKTURNER	OBRIEN/ATHUNS ASSE.
Bill Stovall	Dept. of Correction
GREE DRIVER	Dop
Frank Folger	Helms Mulliss Woken
Wendy Kelly	11 11
Stanblellain	DCR
Carry Wheeler	DCR

HOUSE APPROPRIATIONS SUBCOMMITTEE ON CAPITAL

MAY 17, 2006

Name of Committee

Date 12:00pm

### VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

### FIRM OR AGENCY AND ADDRESS

George Bakolia	Governor's office
Dany Lingberry	ITS
Danny Lingberry Elizabeth Song	Conservation and Community Affairs
CECIL HOLT	DJJDP
CARRY DIK	DJJOP
Dwayn Rethern	DITOP
Mildred Grannon	NCDOC
Dail Find	NCDOC
Jaula Manuellon	NCDOC
Bry Semult	WEDDE
Libba Evans	DCR

HOUSE APPROPRIATIONS SUBCOMMITTEE ON CAPITAL

MAY 17, 2006

Name of Committee

Date

NAME	FIRM OR AGENCY AND ADDRESS	
Henry M Cancaster	LCA/UMCANO	
Henry HutaH	N.C.S.D.A.	
JIM LORA	OSBM	
Chris Harder	05 BM	
Jennifer Wimmer	OSBM	
ADM BRUEFGEMUN	OSBM	
JIM LUCAL	DIA	
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Jonathan Smith	SAS Justite	ļ L
DAJ HARBAUGA	NC CC+PS-WALL GLARD	
DONG HOELL	NC EMERGENLY MEMT	

HOUSE APPROPRIATIONS SUBCOMMITTEE ON CAPITAL

MAY 17, 2006

Name of Committee

Date

NAME	FIRM OR AGENCY AND ADDRESS
Mike SprayBerry	NCEM
CASANORA NHITE	CGPS
RICK HELKER	IBM
RUDY Rudisill	CCPS
LISA RIEGEL	NHTT
RROCKRS	DKNK
James Woodard	NCDVA
Diane Nomis	NCDVA
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Kent Yelveton	NCDALCS
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### House Appropriations Subcommittee on Capital May 17, 2006, 12:00 p.m. Room 643 Legislative Office Building Representative Thomas Wright, Presiding

### 1. Chairman's Opening Remarks

### 2. Department of Cultural Resources – Governor's Recommended Capital

North Carolina Museum of Art Expansion Horne Creek Farm Visitor Center Secretary Libba Evans

### 3. Department of Administration - Governor's Recommended Capital

Veterans Affairs Nursing Homes

James Woodard, Veterans Home Program Manager

McDowell Street Parking Deck Speros Fleggas, Deputy Secretary for Government Operations

### 4. Information Technology Services - Governor's Recommended Capital

State Data Center George Bakolia, State Chief Information Officer

### 5. Department of Crime Control and Public Safety – Governor's Recommended Capital

Emergency Operations Center

Doug Hoell, Director of Emergency Management

Marion Transportation Center

Dan Harbaugh, NC National Guard

### 6. Department of Correction - Governor's Recommended Capital

Morrison Correctional Facility Gatehouse/Security Drive Regional Medical Center and Mental Health Center Boyd Bennett, Director of Prisons

### 7. Department of Juvenile Justice and Delinquency Prevention – Governor's Recommended Capital

New Youth Development Centers Safety/Security Fixtures and Furnishings Dwayne Patterson, Deputy Secretary

### 8. Adjourn

# Recommended Appropriations

Capital Improvements

General Fund

### Capital Improvements - General Fund (19600)

### **Total Appropriations and Positions**

	2006-07 Certified	2006-07 Recommended	Percentage Change
Requirements	÷ \$0	\$764,144,532	
Receipts	<u>.</u>	434,691,232	
Appropriation	<u>\$0</u>	<u>\$329,453,300</u>	
Positions	•	• ,	

### **Appropriation Items** -- Recommended Adjustments

### Expansion 2006 07

<u> 2006-07</u>

### **General Government**

1. Cultural Resources - Museum of Art Expansion

The Governor recommends that funds be provided for design and construction of a 126,000 square foot expansion of the existing Museum of Art building. Partial design and construction funds of \$10,000,000 were appropriated in 2005. With approximately a quarter million visitors annually, the museum is often crowded and lacks adequate exhibition space to showcase the state's art collection, including a new gift of Rodin sculptures.

**Appropriation - Nonrecurring** 

\$40,000,000

2. Cultural Resources - Horne Creek Visitors Center

Funds are recommended for a 1,600 square foot public picnic area, reception facility with offices, and restrooms at the Horne Creek Historic Site. A temporary trailer currently serves as the visitor center, which provides inadequate space for visitor services, public restrooms, and office space.

Appropriation - Nonrecurring

\$378,700

### 3. Administration - Asheville and Kinston Veterans Affairs Nursing Homes

It is recommended that the state provide funding for the 35% state match for the construction of two 100-bed nursing homes to provide skilled care for the state's veterans. The remaining 65% will be provided by a federal grant. Approximately 40% of the state's 770,000 veterans are over the age of 65, and many are projected to require long-term health care in the near future.

Requirements - Nonrecurring

\$25,066,395

**Receipts - Nonrecurring** 

\$16,293,095

Appropriation - Nonrecurring

\$8,773,300

### 4. Information Technology Services - Data Center

Funds are recommended for land acquisition, design, and construction of a backup data center for critical business programs. The data center will also provide disaster recovery services now handled by an out-of-state vendor.

Appropriation - Nonrecurring

\$24,841,300

### Justice and Public Safety

### 1. Crime Control and Public Safety - Emergency Operations Center and Access Road

The Governor recommends funding for design and construction of a new Emergency Operations Center (EOC) and provision of a new access road. The facility would be housed within the lower level of the new National Guard Readiness Center (estimated federal funds for the National Guard Readiness Center equal \$30 million). The building of a new federally funded National Guard Readiness Center provides an opportunity for the state to obtain an adequately sized EOC at a fraction of the cost of building a new stand alone facility or a renovated facility in another state owned building.

Appropriation - Nonrecurring

\$8,500,000

### 2. Crime Control and Public Safety - Marion Transportation Center

The North Carolina Department of Correction intends to reclaim one of its buildings currently being used by the Department of Crime Control and Public Safety (DCCPS). Funds are recommended for a new parking lot needed to house a portion of DCCPS's motor vehicle fleet now on DOC property. McDowell County will donate land for the project.

Appropriation - Nonrecurring

\$222,700

### 3. Correction - Gatehouse/Security Drive (Morrison)

It is recommended that funds be provided for renovation of the perimeter security fence system at Morrison Correctional Institution. Modifications include an electronic intrusion detection system, a paved chase road, parking area improvements, renovations to administration and operations buildings, and utility relocations. The modifications will result in the reduction of guard posts required for perimeter security. Design and construction will be completed using Department of Correction forces.

**Appropriation - Nonrecurring** 

\$2,986,200

4. Juvenile Justice and Delinquency Prevention - Safety/Security Fixtures and Furnishings

Funds are recommended for installation of safety/security fixtures and furnishings at five new Youth Development Centers (Cabarrus, Lenoir, Edgecombe, Chatham and Guilford).

Appropriation - Nonrecurring

\$500,000

### **Natural and Economic Resources**

### 1. North Carolina Ports Authority - Container Cranes

Capital funds are recommended for the Port of Wilmington to purchase two new container cranes. This project is necessary to meet the NCSPA strategic goal to increase container volume by 100% by mid 2007. This project is partially funded by receipts.

Requirements - Nonrecurring

\$24,122,000

Receipts - Nonrecurring

\$16,622,000

Appropriation - Nonrecurring

\$7,500,000

### 2. Agriculture - Expansion/Renovation to Rollins Laboratory

Funds are recommended for planning and design for a comprehensive study of the Animal Disease Diagnostic Laboratory System to determine the needs that must be addressed in an expansion. The expansion would provide space for additional staff needed to implement the requisite Quality Assurance program (AAVLD mandate). Part of the laboratory would be built to serve as a bioterrorism and foreign animal disease outbreak test area for response to such events.

**Appropriation - Nonrecurring** 

\$1,250,000

### 3. Agriculture - Constable Lab Renovation

Funds are recommended for renovations to the Constable Lab. Work stations that prepare samples need better ventilation because of hot acid fumes and a humidity reduction coil to prevent the interruption of procedures because of high moisture. The floor needs replacement because of 29 years of fertilizer and acid-base residue and moisture buildup. A stand-by generator is needed to provide power to continue essential lab functions and preserve lab samples in the event of a power outage.

**Appropriation - Nonrecurring** 

\$537,500

### 4. Agriculture - Oxford Complex Planning and Design

Funds are recommended for planning and design of the North Carolina Agriculture and Consumer Services Oxford Lab. Renovation and expansion of the complex will facilitate bioagriculture research and the co-location of U.S.D.A. operations (avian flu research). The expansion would provide space for needed additional staff, as well as spur economic development in the area. Part of the laboratory would be built to serve as a bioterrorism and foreign animal disease outbreak test area for response to such events.

Appropriation - Nonrecurring

\$1,000,000

### 5. DENR - Water Resources Development Projects

Funds are recommended for the state's share of civil works projects for navigation, flood control, drainage, and beach protection. The costs of these projects are shared by the federal government and/or local governments using a statutory formula. (Requirements are estimated pending federal budget approval.)

Requirements - Nonrecurring

\$106,412,000

**Receipts - Nonrecurring** 

\$87,912,000

**Appropriation - Nonrecurring** 

\$18,500,000

### 6. DENR - Division of Water Quality Laboratory Modular Office Building

It is recommended that funds be made available to purchase and erect a modular office building to relieve overcrowding at the Chemistry Lab by relocating offices currently occupying laboratory space.

### Appropriation - Nonrecurring

\$257,100

### 7. DENR - Zoo - Children's Discovery Center

Funds are recommended to demolish much of the temporary Australian exhibit and replace it with a permanent Children's Discovery Center featuring interactive and educational exhibits. The Center will serve 100,000 school children annually. The zoo depends on new exhibits to encourage attendance and generate receipts used for maintenance and operations. The North Carolina Zoological Society has committed \$1 million in private funds for this project.

Requirements - Nonrecurring

\$2,500,000

**Receipts - Nonrecurring** 

\$1,000,000

Appropriation - Nonrecurring

\$1,500,000

### 8. DENR - Zoo - Exhibit Storage Shed

Funds are recommended for the construction of a 1,700 square foot metal storage shed to protect equipment and building materials from weather damage and theft. The storage shed will save the zoo approximately \$30,000 a year in equipment losses from theft. The storage area will also provide the zoo with sufficient space to store repair materials purchased in bulk, thus realizing additional savings.

### Appropriation - Nonrecurring

\$452,800

### 9. DENR - Nature Resource Center

Funding is recommended for the construction of a 79,400 square foot annex of the Museum of Natural Sciences. An appropriation of \$10,000,000 would be combined with \$40,000,000 of non-appropriated funds raised by the Friends of the Museum. The Nature Resource Center will engage teachers, students, and the general public in scientific research in an interactive environment.

Requirements - Nonrecurring

\$50,000,000

Receipts - Nonrecurring

\$40,000,000

Appropriation - Nonrecurring

\$10,000,000

### 10. DENR - Office Building

Capital funding is recommended for the acquisition, planning, design, and construction of a 250,000 square foot office building for DENR employees on Blue Ridge Road in Raleigh. Currently, approximately 636 DENR employees are in leased space (including the Parker Lincoln Building). Leases will expire in three years, and this facility will provide space to relocate these employees and DENR employees now in the downtown complex.

Appropriation - Nonrecurring

\$50,005,300

### 11. DENR - Hickory Nut Gorge State Park Land Acquisition (Chimney Rock Tract)

The Governor recommends funds to purchase land to expand the Chimney Rock tract in Hickory Nut Gorge State Park. The land acquisition is part of the North Carolina Million Acres Initiative, which set a goal of permanently preserving one million acres of open space by 2009.

### **Appropriation - Nonrecurring**

\$15,000,000

### 12. DENR - Forest Resources District 9 Headquarters Complex

Design and construction of a new district facility is recommended for District 9. The facility would provide an integral county office on a new site in Sylva to be provided by Southwestern Community College. The facility will consist of office space, a maintenance shop, storage areas, and a refrigerated area for seedlings.

Appropriation - Nonrecurring

\$2,164,500

### 13. Commerce - Wanchese Seafood Industrial Park

It is recommended that funds be provided for construction of an 1,844 square foot office addition to the main building of the Wanchese Industrial Park. This addition would provide office space to relieve overcrowding.

**Appropriation - Nonrecurring** 

\$519,500

### **UNC System - Board of Governors**

### 1. NCSU Engineering Complex III

Capital funding is recommended for the NCSU Engineering Complex Phase III. The project will allow for the continued relocation of the College of Engineering to Centennial Campus. The 166,700 square-foot facility will meet the needs of the Departments of Mechanical and Aerospace Engineering and Biomedical Engineering. \$8,700,000 was appropriated for planning and design for this project in 2005.

**Appropriation - Nonrecurring** 

\$61,000,000

### 2. UNC-Wilmington School of Nursing

Capital funding is recommended for the new UNC-Wilmington School of Nursing. This 80,000 square foot facility will allow for the expansion of the School of Nursing and related programs to support the projected increases in undergraduate and graduate programs. The current space does not allow for expansion. The new space will provide modern classrooms, laboratories, simulation spaces, faculty offices, and various support spaces for the School of Nursing. \$2,600,000 was appropriated for planning funds for this project in 2005.

**Appropriation - Nonrecurring** 

\$27,000,000

### 3. NC-CAT Ocracoke Island Station Renovation Phase III

The historic Ocracoke Island Station is being renovated for use by the North Carolina Center for Advancement of Teachers. Funding for Phase I (\$6,725,499) is included in the 2003-04 Repair and Renovation COPs; funding for Phase II (\$1,456,699) is from the 2004-05 Repair and Renovation Reserve. This request would provide furnishings and equipment to complete the project for opening in the fall of 2006.

**Appropriation - Nonrecurring** 

\$737,000

### 4. UNC-Charlotte Center City Classroom Building

A new Center City Classroom Building is recommended at UNC-Charlotte. The new general classroom building will house mostly graduate and professional education programs. It will provide space to the Belk College of Business, the College of Architecture, and the Lee

College of Engineering. In addition, the building will be tailored to meet the needs of continuing education students and professionals working and living in the Charlotte-Mecklenburg region. The building is critical to the university's need to keep pace with projected growth.

Appropriation - Nonrecurring

\$45,827,400

### Projects Financed with Special Indebtedness (COPs)

1. DHHS Public Health Laboratory/Office of Chief Medical Examiner

Capital Funds are recommended for the construction of a new 203,834 square foot building for the state public health lab and Office of Chief Medical Examiner. The existing public health lab facility in the Bath building is a leased facility that is in need of major renovations. A bioterrorism testing laboratory is located in a modular facility across from the Bath Building and will have to move because of the Blount Street development. The Office of Chief Medical Examiner is currently housed in the Bullit-Brinkhous Building at the UNC School of Medicine. Each building has a layout that is inefficient and too small for the current needs of the Division of Public Health. COPs would be authorized in the amount of \$101,000,000 to fund project.

Requirements - Nonrecurring

\$101,000,000

Receipts - Nonrecurring

\$101,000,000

**Appropriation - Nonrecurring** 

2. Correction - Regional Medical Center and Mental Health Center

Funding is recommended for design and construction of a 120-bed Regional Medical Center and a 200-cell Mental Health Center at North Carolina's Central Prison in Raleigh. The construction of the medical and mental health facilities is considered critical to support the medical and mental health treatment of violent inmates. The project constitutes Phases II and III of the approved Central Prison Master Plan (March 1998) and is a recommendation in the Department of Correction Healthcare Plan (Nov. 1996). The funding breakdown for the project is \$144,000,000 in Certificates of Participation and \$7,864,137 from receipt sources.

Requirements - Nonrecurring

\$151,864,137

**Receipts - Nonrecurring** 

\$151,864,137

Appropriation - Nonrecurring

### **Projects Financed with Revenue Bonds**

1. Department of Administration - McDowell Street Parking Deck

Funds are recommended to construct a 1,200 space parking deck across from the Administration Building in Raleigh. The parking deck is needed to relieve overcrowding in existing parking decks in the downtown government complex and to replace parking lost by the Blount Street redevelopment project. It is recommended that revenue bonds be used to

fund this project. Debt service will be paid from parking fees generated by the deck and other downtown parking.

Requirements - Nonrecurring

\$20,000,000

Receipts - Nonrecurring

\$20,000,000

**Appropriation - Nonrecurring** 

### Repair and Renovation Reserve

It is recommended that \$200,000,000 from the FY 2005-06 credit balance be allocated to the Repair and Renovation Reserve Account.

1. OSBM Repair and Renovations Reserve

Of the funds in the Reserve for Repairs and Renovations for the 2006-07 fiscal year, it is recommended that \$108,000,000 (54%) be allocated to the Office of State Budget and Management for repairs and renovations pursuant to G.S. 143-15.

2. UNC Board of Governors Repair and Renovations Reserve

Of the funds in the Reserve for Repairs and Renovations for the 2006-07 fiscal year, it is recommended that \$92,000,000 (46%) be allocated to the Board of Governors of the University of North Carolina for repairs and renovations pursuant to G.S. 143-15.

Total Recommended Expansion	
Recurring	
Requirements	-
Receipts	•
•	
Appropriation	· · · · · · · · · · · · · · · · · · ·
Number of Positions	-
Nonrecurring	
Requirements	\$764,144,532
Receipts	434,691,232
Appropriation	\$329,453,300
Number of Positions	-

### Total Recommended Adjustments for Capital Improvements - General Fund 2006-07

Recurring	
Requirements	•
Receipts	-
Appropriation	-
Number of Positions	-
Nonrecurring	
Requirements	\$764,144,532
Receipts	434,691,232
Appropriation	\$329,453,300
Number of Positions	-



		(in th	( in thousands of dollars )		
Y Project Name		State Share	Federal Share	Local Share	
Wilmington Harbor Deepening		5,275 1	25,000	0	
Morehead City Harbor Sand Management (Sec 933)		1,200	2,600	400	
Manteo (Shallowbag) Bay Channel Maintenance		-	20,815	20	
'Wilmington Harbor Maintenance Dredging		Ī	16,400	0	
Morehead City Harbor Maintenance Dredging		0	9,700	0	
Carolina Beach Renouishment		1,125	1,400 4	375	
Carolina Beach Renourishment (Kurp Beach)		681	\$ 009	227	
Brunswick County Beaches Study		0	200 8	0	
Ocean Isle Beach Renourishment (Brunswick County)		435	1,000 8	145	
Beaufort Harbor Maintenance Dredging		300	1,000	75.	
B. Everett Jordan Reservoir Water Supply Storage		6	0	300	
Aquatic Weed Control - Lake Gaston and Statewide		400	0	350	
Waterway connecting Pamilico Sound to Beaufort Harbor (Carteret County)		400	1,500	92	
John H. Kerr Reservoir Ops Evaluation (Sec 216)		188 7	200	0	
Currituck Sound Water Management Study		386	300	0	
Surf City / North Topsail Beach Protection Study		:	400	175	
West Onlsow (Topsail) Beach Study (Pender County)		82	009	901	
Hurricane Stream Restoration - Western NC (Phase II) 10		2,000	0	0	
Humicane Isabel Emergency Stream Cleanup (Phase III) 11		850		0	
Bogue Banks Shore Protection Study (Carteret County)		•	375	63	
Neuse River Basin Study		280	130	0	
Beach And inlet Management Study		200	0	0	
Dredging Contingency Fund 12		2,295	0	2,062	
State - Local Projects		2,000	0	1,000	
	Total: \$	18,500	82,520 \$	5,392	

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19

2 2 2 2

1 The total amount of State matching funds is \$7,491,000. Of that amount \$3,000,000 will come from funds allocated in prior fiscal years

2 The total amount of State matching funds is \$800,000. The \$800,000 will come from funds allocated in prior fiscal years

3 The total amount of State matching funds is \$1,000,000. The \$1,000,000 will come from funds allocated in prior fiscal years

4 The total amount of Federal matching funds is \$3,720,000. Of that amount \$2,320,000 will come from funds allocated in prior fiscal years

5 The total amount of Federal matching funds is \$2,250,000. Of that amount \$1,650,000 will come from funds allocated in prior fiscal years

6 The total amount of Federal matching funds is \$2,900,000 for these two projects. Of that amount \$1,700,000 will come from funds allocated in prior fiscal years

7 The total amount of State matching funds is \$688,000. The \$500,000 will come from funds altocated in prior fiscal years

8 The total amount of State matching funds is \$175,000. The \$175,000 will come from funds allocated in prior fiscal years

9 The total amount of State matching funds is \$63,000. The \$63,000 will come from funds allocated in prior fiscal years

10 The project area includes the following 19 counties: Alleghany, Ashe, Avery, Buncombe, Burke, Caldwell, Haywood, Henderson, Jackson, Macion, McDowell, Mitchell, Polk, Rutherford, Swein, Transylvania, Watauga, and Yancey

11 The project area includes the following 15 counties: Beaufort, Bertie, Camden, Chowan, Currituck, Dare, Gates, Heriford, Hyde, Martin, Northampton, Pasquotank, Perquimans, Tyrrell, & Washington

12 This fund will allow the dredging of federally authorized shallow draft navigation channels and inlets if sufficient funding is not provided in the federal Corps of Engineers budget

# INFORMATION PAPER FOR NEW EMERGENCY OPERATIONS CENTER NORTH CAROLINA DIVISION OF EMERGENCY MANAGEMENT MAY 17<sup>TH</sup>, 2006

### TIMING IS PERFECT

Momentum is building for the State of North Carolina to take a major step in the area of disaster preparedness. The North Carolina Division of Emergency Management has the opportunity to build a new Emergency Operations Center (EOC) at an approximate cost of \$8.5M. The new EOC would be located in the bottom floor of the new Readiness Center for the North Carolina National Guard (NCNG). The new Readiness Center will be located near its current site on Reedy Creek Road. The NCNG is currently attempting to move construction funding authorization from Federal Fiscal Year 2010 to Federal Fiscal Year 2007 with the expectation that they will begin building not later July 2<sup>nd</sup>, 2007. The State should be ready to have their funding share appropriated for construction by July 1<sup>st</sup>, 2006 in order move forward in conjunction with the NCNG. The timing is perfect to leverage the federal funding available (\$30M+) to the NCNG and improve the readiness of the State. The State must seize the opportunity now or it will no longer be available.

### **ISSUES WITH CURRENT EOC**

Over the years, as disasters have become more frequent and as our citizenry's expectations have grown, along with population and development, the Division's current EOC has become operationally outdated. Issues at the current EOC include:

- Situation Room and Break-Out Planning/Operations Rooms are too small since reorganization of State Agencies into the State Emergency Response Team (SERT).
- Managerial span of control over sections is difficult as the Division headquarters
  is split into three separate physical locations at the Department of Administration
  and two separate locations on Capital Boulevard due to lack of space in the
  current EOC.
- There is minimal work space for FEMA partners during disaster activation.
- Due to parking scarcity, parking must be specially coordinated on a daily basis to ensure availability for Division, SERT partners, and FEMA personnel during a disaster activation, taking time away from critical tasks.
- Current EOC needs re-location to a more hardened and secure site in accordance with guidance from the Department of Homeland Security.
- Several rooms in the current EOC have mold; this problem is getting worse as time passes and poses health hazards.



### ADVANTAGES OF CONSTRUCTING A NEW EOC

The documented catastrophic events of the past five years, both natural and manmade, has made it imperative that the State ensures the very highest level of preparedness. This starts with a highly professional Division of Emergency Management operating out of a top-notch EOC. Advantages are:

- The space currently allocated for the new EOC (40,000 sf), plus office space that would be allocated from the NCNG, would allow the Division headquarters to be placed in one location with a larger Situation Room; would provide adequate Break-Out Rooms for SERT partners; and would allow space for FEMA personnel during disaster activations. This allows for a better span of control during both day-to-day operations and disasters.
- Savings would be realized as the Division would no longer be required to make lease payments for the Disaster Recovery Operations Center, the Geospatial & Technology Office, and the Central Branch Office (Total: \$430K savings per annum) once co-located with the NCNG.
- Parking in the new location would meet the Division's requirements.
- A hardened, more secure location with current technology for the Division to respond to emergencies.
- A closer day-to-day relationship with the NCNG, the State's largest resource for disaster response.
- Health hazards associated with mold will be avoided.
- Building an EOC as part of a NCNG structure will save funding as compared to building a stand-alone facility. Stand-alone could cost as much as \$4M more.
- Department of Administration building space can be made available to other state agencies.
- Has the option to co-locate and integrate the SBI Fusion Center and the DOT Intelligent Transportation System (ITS) Operations Unit.

### **CONCLUSION AND RECOMMENDATION**

Recommend the State provide the roughly \$8.5M to construct the new EOC as a portion of the new NCNG Readiness Center. It is further recommended design funding be allocated immediately to ensure concurrent design with the NCNG Readiness Center. The NCNG has moved forward with their phase of the design and this will be the Division's opportunity to get in at start. This is a golden opportunity to save the State's money while increasing the State's preparedness and a cost effective, outstanding investment.





### **MORRISON CORRECTIONAL INSTITUTION**

### **ELECTRONIC INTRUSION FENCE SYSTEM**

### HOUSE APPROPRIATIONS SUBCOMMITTEE ON THE CAPITAL BUDGET

### **BOYD BENNETT DIRECTOR OF PRISONS**

### MAY 17, 2006

### STATUS OF CURRENT FENCE SYSTEM AT MORRISON CORRECTIONAL INSTITUTION

- -MORRISON CI IS A LARGE MEDIUM/MINIMUM CUSTODY CORRECTIONAL INSTITUTION WITH A POPULATION OF 809 INMATES
- -THE COMPOUND COVERS 30 ACRES
- -THERE ARE CURRENTLY 7 GUARD TOWERS PROVIDING SECURITY OVER THE EXTERNAL FENCE SYSTEM
- -IT TAKES 41 CORRECTIONAL OFFICERS TO MAN THESE 7 TOWERS 24 HOURS EACH DAY SEVEN DAYS EACH WEEK

### PROPOSAL FOR NEW FENCE SYSTEM

- -IT IS PROPOSED TO CONVERT THE CURRENT FENCE SYSTEM AT MORRISON CI FROM A TOWER/FENCE SECURITY SYSTEM TO AN ELECTRONIC INTRUSION SYSTEM
- -THE TOWERS WOULD NOT BE MANNED. THE FENCE WOULD BE GUARDED BY A MANNED ROVING PATROL VEHICLE AND A FENCE WITH ELECTRONIC/COMPUTERIZED SENSORS WHICH WOULD ALERT STAFF TO ANY INTRUSION
- -THIS PROPOSAL WOULD ALLOW A BETTER UTILIZATION OF STAFF AND WOULD ALLOW THE DIVISION TO ELIMINATE 19 CORRECTIONAL OFFICER POSITIONS AT MORRISON CI FOR AN ANNUAL SAVINGS OF \$645,223.00
- -THE PAYBACK FOR THIS SYSTEM AT MORRISON CI WOULD BE 4.73 YEARS
- -EIS SYSTEMS ARE USED AT ALL MODERN HIGH SECURITY PRISONS
- -N.C. DIVISION OF PRISONS IS GRADUALLY CONVERTING ALL OUR CLOSE AND MEDIUM SECURITY PRISONS TO THE EIS SYSTEMS
- -MORRISON WOULD BE THE  $5^{TH}$  OF 13 MEDIUM/CLOSE FACILITIES THAT WE WANT TO INSTALL EIS SYSTEMS AND ELIMINATE MANNED TOWERS
- -IF APPROVED THIS PROJECT WOULD START IN MID/LATE 2007 AND WOULD BE COMPLETED IN 2008

### CENTRAL PRISON HOSPITAL AND MENTAL HEALTH FACILITY

### HOUSE APPROPRIATIONS SUBCOMMITTEE ON CAPITAL BUDGET

### BOYD BENNETT, DIRECTOR DIVISION OF PRISONS

MAY 17, 2006

### CENTRAL PRISON HOSPITAL TIMELINE

- ◆ THE CURRENT HOSPITAL WAS BUILT IN 1965 WITH A STATE PRISON POPULATION OF 9,000 INMATES
- ♦ BY THE LATE 1970'S, THE MEDICAL EQUIPMENT CONTINUED TO BE FUNCTIONAL BUT WAS NO LONGER CONSIDERED MODERN MEDICAL EQUIPMENT
- ♦ BY THE 1980'S, THERE WAS LITTLE MONEY FOR NEW EQUIPMENT AND A RISING INMATE POPULATION. THE PRISON SYSTEM BEGAN TO RELY MORE ON OUTSIDE HOSPITALS FOR INMATE MEDICAL CARE
- ♦ IN THE 1990'S, THE ONLY OPERATING ROOM AT CENTRAL PRISON WAS CLOSED AND THE FACILITY SCALED BACK TO SAME-DAY TYPE SURGERY IN A CONTRACTUAL MOBILE OPERATING ROOM
- ◆ DURING THE 1990'S, MORE AND MORE INMATE MEDICAL CARE WAS DONE IN COMMUNITY HOSPITALS AND BY COMMUNITY PROVIDERS
- ◆ THE CURRENT CENTRAL PRISON HOSPITAL AND MENTAL HEALTH FACILITY IS LIMITED TO INTAKE, SPECIALTY CLINICS, 24-HOUR EMERGENCY CARE, DIAGNOSTIC RADIOLOGY SERVICES, RESPIRATORY ISOLATION CELLS FOR TB, AND SOME OUTPATIENT SURGERY IN A MOBILE OPERATING ROOM
- ◆ CURRENTLY, 40% OF INMATE HOSPITAL ADMISSIONS ARE DONE IN COMMUNITY HOSPITALS VERSUS STATE PRISON HOSPITALS
- ◆ CENTRAL PRISON HOSPITAL IS INADEQUATE AND CAN NO LONGER SERVE A GROWING PRISON POPULATION
- ◆ DUE TO THE CONDITION OF THE OTHER HOSPITAL IN OUR SYSTEM, MCCAIN CORRECTIONAL HOSPITAL, THERE IS NO EXCESS CAPACITY TO RESPOND IN THE EVENT OF A CRITICAL SYSTEMS FAILURE OR UNFORESEEN NATURAL DISASTER.

### <u>CURRENT PROBLEMS OR ISSUES REGARDING CENTRAL PRISON HOSPITAL AND MENTAL HEALTH FACILITY</u>

- ◆ CURRENTLY, THERE ARE 37,000 INMATES IN THE STATE PRISON SYSTEM
- ♦ THE STATE'S PRISON INMATE POPULATION IS RISING ABOUT 1,000 INMATE PER YEAR WITH A PROJECTED POPULATION OF OVER 44,000 BY 2015
- ◆ DIVISION OF PRISONS IS SEEING SUBSTANTIAL GROWTH IN THE OLDER AND CHRONICALLY ILL INMATE POPULATIONS
- ◆ THIS FISCAL YEAR, NORTH CAROLINA WILL SPEND 80 MILLION DOLLARS ON OUTSIDE HOSPITAL CHARGES AND OUTSIDE MEDICAL PROVIDERS
- ◆ THE CURRENT CENTRAL PRISON HOSPITAL IS OVER 40 YEARS OLD AND SHOWS SIGNS OF EXTREME WEAR
  - o THE FACILITY IS EXTREMELY OVERCROWDED FOR STAFF AND INMATES
  - THE FACILITY HAS NO CENTRAL FIRE ALARM/SMOKE DETECTION SYSTEM OR ANY FIRE SUPPRESSION SPRINKLERS
  - THERE IS NO CENTRAL AIR-CONDITIONING SYSTEM
  - THE OPERATING ROOM IS NO LONGER FUNCTIONING A CONTRACT MOBILE OPERATING ROOM IS USED FOR SAME DAY/AMBULATORY SURGERIES
  - THIS FACILITY NO LONGER FITS THE STANDARD OF A HOSPITAL
  - A CRITICAL SYSTEM FAILURE COULD LEAD TO THE CLOSURE OF CENTRAL PRISON HOSPITAL
- ◆ CENTRAL PRISON HOSPITAL TREATS THE MOST SEVERELY ILL MEDICAL AND MENTAL HEALTH INMATES FOR EXTENDED PERIODS OF TIME FROM THE OTHER 70 MALE PRISON FACILITIES AND ALSO HANDLES MEDICAL AND MENTAL HEALTH SAFEKEEPERS FROM THE COUNTY JAILS
- ◆ LAST YEAR, CENTRAL PRISON HOSPITAL AND MENTAL HEALTH FACILITY ADMITTED 669 SAFEKEEPERS FROM THE COUNTY JAILS
- ♦ MANY WERE ADMITTED TO CENTRAL PRISON HOSPITAL OR MENTAL HEALTH FACILITY AND THEN TRANSFERRED TO LOCAL HOSPITALS

### REASONS WHY A NEW CENTRAL PRISON HOSPITAL AND MENTAL HEALTH FACILITY SHOULD BE BUILT

### **ECONOMIC JUSTIFICATION**

- ♦ SUBSTANTIAL SAVINGS WILL BE INCURRED BY CARRYING OUT INMATES' MEDICAL TREATMENT IN A NEW PRISON HOSPITAL VERSUS TREATMENT IN OUTSIDE COMMUNITY HOSPITALS
- ◆ SUBSTANTIAL SAVINGS WILL OCCUR BY NOT HAVING TO USE CORRECTIONAL OFFICERS TO GUARD INMATES IN OUTSIDE HOSPITALS
- ◆ REDUCTION IN MEDICAL TRANSPORTATION COSTS
- ◆ ELIMINATION OF MOBILE OPERATING ROOM CONTRACT
- ◆ IT IS ESTIMATED THAT A NEW CENTRAL PRISON HOSPITAL WILL PAY FOR ITSELF IN 10 – 12 YEARS
- ♦ REDUCTION IN STAFF TURNOVER LINKED TO POOR AND UNSAFE WORKING CONDITIONS IN CURRENT CENTRAL PRISON HOSPITAL AND MENTAL HEALTH FACILITY

### **SECURITY JUSTIFICATION**

- ♦ ON ANY GIVEN DAY, DIVISION OF PRISONS HAS 25 30 INMATES ASSIGNED TO OUTSIDE HOSPITALS. MANY ARE SERVING LONG SENTENCES AND THERE ARE SECURITY CONCERNS
- ◆ TWO CORRECTIONAL OFFICERS HAVE TO BE ASSIGNED TO EACH INMATE 24 HOURS EACH DAY IN OUTSIDE HOSPITALS
- ◆ PROVIDING MORE SERVICES WITHIN PRISON MEDICAL/MENTAL HEALTH FACILITIES WILL REDUCE PUBLIC SAFETY RISKS

### **QUESTIONS**

# **CURRENT CENTRAL PRISON HOSPITAL – BUILT IN 1965**



#### House Appropriations Subcommittee on Capital

#### **Minutes**

May 24, 2006, 12:00 p.m. Room 643 Legislative Office Building

Representative Thomas Wright, Presiding

The **House Appropriations Subcommittee on Capital** met on Wednesday, May 24, 2006 at 12:00 noon in Room 643 of the Legislative Office Building. The following members were in attendance: Chairman Thomas Wright, Reps. West, Cole, Haire, Hollo, Insko, and Kiser. Jim Klinger, from fiscal research and Jamilah Sabir-Calloway, committee assistant were also present. A list of visitors in attendance and an agenda are attached and made part of these minutes.

Chairman Wright called the meeting to order and introduced the House Pages and Sgt-At-Arms as listed on the attached roster. The chairman stated that the Committee would continue to hear from the Governor's recommendations on Capital expenditures. A handout of the relevant section of the Governor's proposal starting on page 195 was distributed and are attached and made part of these minutes.

## 1. NC Ports – Port of Wilmington Container Cranes

Chairman Wright called on Jeff Strader, Chief Financial Officer of the Wilmington Port Authority to give an overview of the capital request for Container Cranes. Several handouts were distributed and are attached and made part of these minutes. Mr. Strader referred the Committee to the flyer on "Jobs" and stated that one of the largest impacts the Port Authority has on the State is the creation of direct and indirect jobs [for Wilmington, specifically 38,000 jobs] as well as the associated state and local tax revenues. Their request is for \$7.5 million to help acquire 4 container cranes. He outlined the need for the cranes. The largest ships currently calling at the Port of Wilmington are Panamax-13 containers wide. The four new cranes on order and due for delivery in January 2007 will accommodate Post-Panamax-plus projected during the life span of the cranes. The new cranes have an outreach which allows them to handle the 18-container-wide ships expected in the near future.

The Chairman acknowledged and welcomed the State Employees that were visiting in the galley and stated that "we value what you do for all of us in the State."

#### 2. Department of Agriculture and Consumer Services –

Rollins and Veterinary Lab Planning Constable Lab Renovation Oxford Complex Planning and Design

Chairman Wright recognized Kent Yelverton, Director of Property and Construction for the Department of Agriculture who presented the request for the above three items. Mr. Yelverton began by explaining the funding request for the planning of the expansion of **Rollins and Veterinary Lab**. Fund are requested to conduct the study of animal disease diagnostic laboratory system to determine the needs that must be addressed in the expansion and renovation of Rollins laboratory. The laboratory systems include Rollins laboratory in Raleigh plus four branch labs

located in Monroe, Elkin, Rosedale and Arden. The expansion would provide space for an additional staff needed to implement the requisite Quality Assurance program (AAVLD mandate). Part of the laboratory would be built to serve as a bioterrorism and foreign animal disease outbreak test area for response to such events. The study address the improvements needed at Rollins laboratory to maintain its accreditation by the American Association of Veterinary Laboratory Diagnosticians. The request is for \$1.25 million.

He gave an overview of the justification for funds for the renovation of the **Constable Lab**, the State's food and drug testing lab. Funds are requested for three worker protection stations which provide ventilation to contain fumes. Funds are requested to replace an inoperable humidity reduction coil to prevent the interruption of procedures because of high moisture. The Floor needs replacement because of 29 years of fertilizer and acid-base residue and moisture buildup. A stand-by generator is needed to provide power to continue essential lab functions and preserve lab samples in the event of a power outage. The request is for \$537,500.

Mr. Yelverton then spoke about **Oxford Complex Planning and Design**. Funds are requested for the planning and preliminary design for the retrofitting the Oxford Complex for program needs. This facility was transferred to the State of North Carolina by the US Department of Agriculture during the fall of 2005. Renovation and expansion of the complex will facilitate bio-agriculture research and the co-location of U.S.D.A. operations (avian flu research). It includes 4.25 acres and 14 structures. The expansion would provide space for needed additional staff, as well as spur economic development in the area. Part of the laboratory would be built to serve as a bioterrorism and foreign animal disease outbreak test area for response to such events. Planning funds will be used to explore the specific needs that this facility can fulfill as agriculture in North Carolina continues to evolve and biotechnology becomes an increasingly important component in the farmer's ability to make a living and stay on the farm. The request is for \$1 million.

## 3. Department of Environment and Natural Resources – Water Resources Development Projects Various Capital Projects in DENR

Chairman Wright welcomed Mr. John Morris, Director of Water Resources Division for the Department of Environmental and Natural Resources (DENR) to speak on the Water Resources **Development Projects.** Mr. Morris by stating that State statutes establish the eligibility for State funds for projects and also establish the cost sharing policy for sharing the cost of these projects between local, state, and federal governments. Many of these projects are done in conjunction with the Core of Engineers and involve some Federal funds and we are currently having a big problem in North Carolina due to the current Federal budget problems. In the last two years the President's budget has left out several North Carolina projects. One left out is our shallow-draft navigational system (defined as less than 20 feet in depth.) Funds are recommended for the state's share of civil works projects for navigation, flood control, drainage, and beach protection. The costs of these projects are shared by the federal government and/or local governments using a statutory funds formula. We include funds in our budget request if we think there is a reasonable probability that the project will be funded by Congress. A handout was distributed that lists the projects that are in the budget proposal and the federal and local matching shares; the footnotes indicate how DENR has brought forth money from previous fiscal years to cover this fiscal year's obligations. The handout is attached and made a part of these minutes.

Chairman Wright called on Dempsey Benton, Chief Deputy Secretary of DENR to present various items in the Governor's budget. He began with the **Division of Water Quality Laboratory** and the addition of a **Modular Office Building**, located in the Blue Ridge Road

(Raleigh) complex. It is recommended that funds be made available to purchase and erect a modular office building to relieve overcrowding at the Chemistry Lab by relocating offices currently occupying laboratory space. The request is for \$257,100.

The next item he presented was the **Zoo- Children's Discovery Center**. This project would be located immediately inside of the North American gate. Funds are requested to demolish much of the temporary Australian exhibit and replace it with permanent Children's Discovery Center featuring interactive and educational exhibits. The Center will serve 100,000 school children annually. The zoo depends on new exhibits to encourage attendance and generate receipts used for maintenance and operations. The North Carolina Zoological Society has committed \$1 million in private funds for this project.

In addition at the zoo there is a request for \$425,800 to construct a 17,000 square foot preengineered metal **Exhibit Storage Shed** on a concrete slab, to protect equipment and building materials from weather damage and theft. The storage shed will save the zoo approximately \$30,000 a year in equipment losses from theft. The storage area will also provide the zoo with sufficient space to store repair materials purchase din bulk, thus realizing additional savings.

Next he spoke on the **Nature Resource Center**. Funding is requested for the construction of a 79,400 square foot annex of the Museum of Natural Sciences. It would be connected to the current museum by pedestrian way and would be built across Salisbury Street on the existing facility. An appropriation of \$10 million would be combined with \$40 million of non-appropriated funds raised by the Friends of the Museum. The Nature Resource Center will engage teachers, students, and the general public in scientific research in an interactive environment.

Mr. Benton then spoke about the request for a 250,000 square foot **DENR office building** for DENR employees that would be built on Blue Ridge Road at the State government complex. Capital funding is requested for the acquisition, planning, design and construction of this building which will provide space to relocate DENR employees that are currently in the downtown complex which is leased space. These leases will expire in three years. Total funding request is \$50,005,300.

Mr. Benton then addressed the request for funding of a **conservation land acquisition at Hickory Nut Gorge State Park** located in Rutherford County. This would be an expenditure of \$15 million. It would be an expansion of the Chimney Rock tract in Hickory Nut Gorge State Park. The land acquisition is part of the North Carolina Million Acres Initiative, which set a goal of permanently preserving one million acres of open space by 2009.

He spoke about the **Division of Forest Resources District 9 Headquarters facility** in Sylva. The project would cost \$2,164,500. It would consist of construction a new district headquarters facility which would provide an integral county office on a new site in Sylva to be provided by Southwestern Community College. The facility will consist of office space, a maintenance shop, storage areas, and a refrigerated area for seedlings.

#### 4. Department of Commerce –

Wanchese Seafood Industrial Park

Chairman Wright called on Bob Peele, Acting Director, Wanchese Seafood Industrial Park to speak to their request. It would allow for the construction of a little over 1,800 square feet of office space at the office building at the Wanchese Seafood Industrial Park. This additional would provide office space to relieve overcrowding. The request is for \$519,500.

#### 5. UNC System Board of Governors -

NC State Engineering Complex III
UNC-Wilmington School of Nursing
NC-CAT Ocracoke Island Station Renovation Phase III
UNC-Charlotte Center City Classroom Building

Chairman Wright introduced Rob Nelson, Vice President for Finance, UNC System Board of Governors. Mr. Nelson gave an overview of the requests for the four above mentioned projects. He began by speaking on the NCSU Engineering Complex Phase III project. The project will allow for the continued relocation of the College of Engineering to Centennial Campus. The 166,700 square-foot facility will meet the needs of the Departments of Mechanical and Aerospace Engineering and Biomedical Engineering. \$8,700,000 was appropriated for planning and design for this project in 2005.

Mr. Nelson then stated the justifications for the request of \$27 million for UNC-Wilmington School of Nursing. The 80,000 square foot facility will allow for the expansion of the School of Nursing and related programs to support the projected increases in undergraduate and graduate programs. The current space does not allow for expansion. The new space will provide modern classrooms, laboratories, simulation spaces, faculty office, and various support spaces for the School of Nursing. \$2.6 million was appropriated for planning funds for this project in 2005.

He spoke about the NC-CAT Ocracoke Island State Renovation Phase III project. The renovated facility will be used be the NC Center for the Advancement of Teachers. Funding for Phase (\$5,725,499) is included in the 2003-04 R&R COPs; funding for Phase II (\$1,456,699) is from 2004-05 R&R Reserve. This request would provide furnishings and equipment to complete the project for opening in the fall of 2006.

Mr. Nelson then gave an overview of the request for a new Center City Classroom Building at UNC-Charlotte. The new general classroom building will house mostly graduate and professional education programs. It will provide space to the Belk College of Business, the College of Architecture, and the Lee College of Engineering. In addition, the building will be tailored to meet the needs of continuing education students and professional working and living in the Charlotte-Mecklenburg region. The building is critical to the university's need to keep pace with projected growth.

Chairman Wright asked for questions and comments from the Committee. Rep. Cole requested the Chair to require that the agencies spell out their requests for basic construction and separate equipment and furnishings. That way there will be a uniform way the information can be compared. The Chair noted the request and stated that the information would be provided within the next couple of meetings.

## 6. Department of Health and Human Services – Public Health Lab and Office of Medical Examiner

Chairman Wright introduced Leah Devlin, State Health Director who spoke on the request for the construction of a new 203,834 square foot building for the state public health lab and Office of Chief Medical Examiner. She thanked the members of the Committee that recently toured the existing lab. An 18-page handout of her presentation was distributed and are attached and made

part of these minutes. The existing public health lab facility in the Bath building is a leased facility that is in need of major renovations. A bioterrorism testing laboratory is located in a modular facility across from the Bath Building and will have to move because of the Blount Street development. The Office of Chief Medical Examiner is currently housed in the Bullit-Brinkhous Building at the UNC School of Medicine. Each building has a layout that is inefficient and too small for the current needs of the Division of Public Health. COPs would be authorized in the amount of \$101 million to fund this project.

Chairman Wright thanked Ms. Devlin for her report. He stated that that completed the presentations from the Governor's Recommended Capital Projects. He stated that beginning with the meeting next week the Committee would begin to take up some bills that will be sent from the full Appropriations Committee.

The meeting was adjourned.

Representative Thomas Wright, Chairman

Jamilah \$abir-Calloway, Committee Assistan

#### HOUSE APPROPRIATIONS SUBCOMMITTEE ON CAPITAL

#### ATTENDANCE SHEET

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## House Pages

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	Appropriations Capital
	Name Of Committee: Date:
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i.	Name: Stephanie McKain
	County: Granville
	Sponsor: Crawford
2.	Name: Akiko Masuda
	County: <u>Johnston</u>
	Sponsor: Slack
3.	Name: <u>Sa'nae</u> Summerville
	County: Warren
	Sponsor: TShek
4.	Name:
	County:
	Sponsor:
5.	Name:
	County:
	Sponsor:
	Sgr-At-Arms
1.	Name: NELL CASPER
2.	Name: MARK CONE
3.	Name: MARVIN LEE
4.	Name: WILL HEATH
5.	Name: FRANK PREVD

HOUSE APPROPRIATIONS SUBCOMMITTEE ON CAPITAL

MAY 24, 2006

Name of Committee

Date

NAME	FIRM OR AGENCY AND ADDRESS
Emma Hodson	Wake Med Health & Hospitals 3000 New Bern Ave Raleigh, NC
Christy (Van	Wakind
RS Nels	UNC
Mark Lanier	NNCM
Jennihi Willis	Walle Country
Store Wall	DENR
Dianne Reasley	DENR-Honnetry
ROBERT GRON	DEHR - DER
Stephansecool	ESC-NC
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HOUSE APPROPRIATIONS SUBCOMMITTEE ON CAPITAL

MAY 24, 2006

Name of Committee

Date

NAME	FIRM OR AGENCY AND ADDRESS
May Thomse	REBIC
Joe Grew	Intern for Rep. Grier Martin
Lisa Riegel	NHTF
Jami Fitzgerald	nc Family Policy Countil
O.E.WARD MD	"Douton of Day - NO Mail Society Fayetteville Stoke Whive
Mary Dickey RN	Nurse of the Day - NCNA
Debouk Rome	NC Pub Alete Crooc
John Morry	Con a manica
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HOUSE APPROPRIATIONS SUBCOMMITTEE ON CAPITAL

MAY 24, 2006

Name of Committee

Date

NAME	FIRM OR AGENCY AND ADDRESS
Bob Peele	NC COMMENCO - Wanchoso Sofed it,
Donna Barnes	Commerce Fisco D Managoment
me Lutt	Commerce Fiscal Mgt. SEAVE DIS 24
Beverly Milallum	DOC Lumberton, MC
Anne D. Smith	SEAVE DUT 24 Elizabethtour
AnnAnderson	SEANC Dist 24 Bladen bro
Bobbie Richardson	
Cathy Fields	SEANC Dist. 26 Granvelle Co Bloden County SEANE Dist. 24- Elizabethours,
Rey Foster	SEANC-DISTRICT 39, Roley
Kent Whogine	Deard - Ralengh
OBIE HENRY JR.	SEANC DISTRICT 59- CHERRY HOSPITAR-DHUS

HOUSE APPROPRIATIONS SUBCOMMITTEE ON CAPITAL

MAY 24, 2006

Name of Committee

Date

NAME	FIRM OR AGENCY AND ADDRESS
John Wilkins	SEANC #22
PAUL BUDAY	SENUC 59-GOLDSBORO
Nicole Hunter	SEANC District 45
Demotrio Brooks	SEANC # 45
DEBORAH EATO	SEANC DIST. # 45
Karen Squires	SEANC District # 45 DOC
Mitathan	NC DOT STANC DIST 56
Rd Bus,	NCAA
Laws Les Ford	DENR Parke
Lois McKoy	SEANC (#22)
Donny Stanley	SEANC DIJ#22

HOUSE APPROPRIATIONS SUBCOMMITTEE ON CAPITAL

MAY 24, 2006

Name of Committee

Date

NAME	FIRM OR AGENCY AND ADDRESS	
Mary O. Lee	SEANC #60 Coldsbord, N.C.	-
Charles W. Ston	e SEANC # 60 Boldsbaro, NO	-
Marie Stone	SEANC # 60	-
Viola Spencer	56ANC #24	-
Lennette Singletar	4 SEANC # 24	_
Charlie Holloway	SEANC # 60	_ <,
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Bonnie Smith	NO Museum of Attaral Jac	- Leca,
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Marine Rouse	SEAN.C. #59 Gods 6500 NC	_

HOUSE APPROPRIATIONS SUBCOMMITTEE ON CAPITAL

Name of Committee

MAY 24, 2006

Date

NAME	FIRM OR AGENCY AND ADDRESS
Donna S. Carp	OSBM
anita Merrél	DENR.
Doug Lewis	DENR
Code Hardy	DENR
John Morris	DENR
Mary Joan Pugh	N.C 200
John Sutherland	DENR
Carri Derrick	SEANC
Alton H. Thornton Ja	SEANC
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Mary ONeill SHAMON BAYLOR	SEANE

HOUSE APPROPRIATIONS SUBCOMMITTEE ON CAPITAL

Name of Committee

MAY 24, 2006

Date

## VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

## FIRM OR AGENCY AND ADDRESS

Donnie Dudley	SEANC
Kathy Howell	SEANC #3
PAT REIGHARD	SEANC DIST. 3
Anaka Flyn	SEANC COESTILTUS)
TaraMinter	3324 Baseline Rd., Ral., N. (27610
Prestop Moore	SEANCTUB SNOW HILL
Spil Evanain	Stand Scall muto President Dist. 40
Voada Smoot	SEANC DIST 40 - MAT
Cleve woolard	SEANC DIST 67
Spino Flegge	TOA
JIM LORA	OSBM

HOUSE APPROPRIATIONS SUBCOMMITTEE ON CAPITAL

MAY 24, 2006

Name of Committee

Date

## VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

**NAME** 

## FIRM OR AGENCY AND ADDRESS

ADAM BRUEGGEMANN	05BM
Chris Harder	05BM
Joann's Stevens	Very his
	NENA
Trent Branter John M'hillan	AF+5
Jeff Strader	NCSPA
Rita Harris	NCSPA
Lou Turner	NC DPH - State Lab
Leah Devlin	NC DPH- state Health Director

#### House Appropriations Subcommittee on Capital May 24, 2006, 12:00 p.m. Room 643 Legislative Office Building Representative Thomas Wright, Presiding

#### 1. Chairman's Opening Remarks

#### 2. NC Ports - Governor's Recommended Capital

Port of Wilmington Container Cranes Jeff Strader, Chief Financial Officer

## 3. Department of Agriculture and Consumer Services – Governor's Recommended Capital

Rollins and Veterinary Lab Planning
Constable Lab Renovation
Oxford Complex Planning and Design
Kent Yelverton, Director, Property and Construction Division

## 4. Department of Environment and Natural Resources – Governor's Recommended Capital

Water Resources Development Projects

John Morris, Director, Water Resources Division

Various Capital Projects in DENR Dempsey Benton, Chief Deputy Secretary

#### 5. Department of Commerce – Governor's Recommended Capital

Wanchese Seafood Industrial Park
Bob Peele, Acting Director, Wanchese Seafood Industrial Park

#### 6. UNC System Board of Governors - Governor's Recommended Capital

NC State Engineering Complex III UNC-Wilmington School of Nursing NC-CAT Ocracoke Island Station Renovation Phase III UNC-Charlotte Center City Classroom Building Rob Nelson, Vice President for Finance

#### 7. Department of Health and Human Services – Governor's Recommended Capital

Public Health Lab and Office of Medical Examiner Leah Devlin, State Health Director

#### 8. Adjourn

# Recommended Appropriations

Capital Improvements

General Fund

#### Capital Improvements - General Fund (19600)

#### **Total Appropriations and Positions**

	2006-07 Certified	2006-07 Recommended	Percentage Change
Requirements	\$0	\$764,144,532	
Receipts	<u> </u>	434,691,232	
Appropriation	<u>\$0</u>	<u>\$329,453,300</u>	
Positions		-	

#### **Appropriation Items -- Recommended Adjustments**

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<u> 2006-07</u>

#### **General Government**

#### 1. Cultural Resources - Museum of Art Expansion

The Governor recommends that funds be provided for design and construction of a 126,000 square foot expansion of the existing Museum of Art building. Partial design and construction funds of \$10,000,000 were appropriated in 2005. With approximately a quarter million visitors annually, the museum is often crowded and lacks adequate exhibition space to showcase the state's art collection, including a new gift of Rodin sculptures.

#### Appropriation - Nonrecurring

\$40,000,000

#### 2. Cultural Resources - Horne Creek Visitors Center

Funds are recommended for a 1,600 square foot public picnic area, reception facility with offices, and restrooms at the Horne Creek Historic Site. A temporary trailer currently serves as the visitor center, which provides inadequate space for visitor services, public restrooms, and office space.

Appropriation - Nonrecurring

\$378,700

#### 3. Administration - Asheville and Kinston Veterans Affairs Nursing Homes

It is recommended that the state provide funding for the 35% state match for the construction of two 100-bed nursing homes to provide skilled care for the state's veterans. The remaining 65% will be provided by a federal grant. Approximately 40% of the state's 770,000 veterans are over the age of 65, and many are projected to require long-term health care in the near future.

Requirements - Nonrecurring

\$25,066,395

Receipts - Nonrecurring

\$16,293,095

Appropriation - Nonrecurring

\$8,773,300

#### 4. Information Technology Services - Data Center

Funds are recommended for land acquisition, design, and construction of a backup data center for critical business programs. The data center will also provide disaster recovery services now handled by an out-of-state vendor.

Appropriation - Nonrecurring

\$24,841,300

#### Justice and Public Safety

#### 1. Crime Control and Public Safety - Emergency Operations Center and Access Road

The Governor recommends funding for design and construction of a new Emergency Operations Center (EOC) and provision of a new access road. The facility would be housed within the lower level of the new National Guard Readiness Center (estimated federal funds for the National Guard Readiness Center equal \$30 million). The building of a new federally funded National Guard Readiness Center provides an opportunity for the state to obtain an adequately sized EOC at a fraction of the cost of building a new stand alone facility or a renovated facility in another state owned building.

Appropriation - Nonrecurring

\$8.500.000

#### 2. Crime Control and Public Safety - Marion Transportation Center

The North Carolina Department of Correction intends to reclaim one of its buildings currently being used by the Department of Crime Control and Public Safety (DCCPS). Funds are recommended for a new parking lot needed to house a portion of DCCPS's motor vehicle fleet now on DOC property. McDowell County will donate land for the project.

Appropriation - Nonrecurring

\$222,700

#### 3. Correction - Gatehouse/Security Drive (Morrison)

It is recommended that funds be provided for renovation of the perimeter security fence system at Morrison Correctional Institution. Modifications include an electronic intrusion detection system, a paved chase road, parking area improvements, renovations to administration and operations buildings, and utility relocations. The modifications will result in the reduction of guard posts required for perimeter security. Design and construction will be completed using Department of Correction forces.

**Appropriation - Nonrecurring** 

\$2,986,200

4. Juvenile Justice and Delinquency Prevention - Safety/Security Fixtures and Furnishings Funds are recommended for installation of safety/security fixtures and furnishings at five new Youth Development Centers (Cabarrus, Lenoir, Edgecombe, Chatham and Guilford).

**Appropriation - Nonrecurring** 

\$500,000

#### Natural and Economic Resources

#### 1. North Carolina Ports Authority - Container Cranes

Capital funds are recommended for the Port of Wilmington to purchase two new container cranes. This project is necessary to meet the NCSPA strategic goal to increase container volume by 100% by mid 2007. This project is partially funded by receipts.

Requirements - Nonrecurring

\$24,122,000

Receipts - Nonrecurring

\$16,622,000

Appropriation - Nonrecurring

\$7,500,000

#### 2. Agriculture - Expansion/Renovation to Rollins Laboratory

Funds are recommended for planning and design for a comprehensive study of the Animal Disease Diagnostic Laboratory System to determine the needs that must be addressed in an expansion. The expansion would provide space for additional staff needed to implement the requisite Quality Assurance program (AAVLD mandate). Part of the laboratory would be built to serve as a bioterrorism and foreign animal disease outbreak test area for response to such events.

Appropriation - Nonrecurring

\$1,250,000

#### 3. Agriculture - Constable Lab Renovation

Funds are recommended for renovations to the Constable Lab. Work stations that prepare samples need better ventilation because of hot acid fumes and a humidity reduction coil to prevent the interruption of procedures because of high moisture. The floor needs replacement because of 29 years of fertilizer and acid-base residue and moisture buildup. A stand-by generator is needed to provide power to continue essential lab functions and preserve lab samples in the event of a power outage.

**Appropriation - Nonrecurring** 

\$537,500

#### 4. Agriculture - Oxford Complex Planning and Design

Funds are recommended for planning and design of the North Carolina Agriculture and Consumer Services Oxford Lab. Renovation and expansion of the complex will facilitate bioagriculture research and the co-location of U.S.D.A. operations (avian flu research). The expansion would provide space for needed additional staff, as well as spur economic development in the area. Part of the laboratory would be built to serve as a bioterrorism and foreign animal disease outbreak test area for response to such events.

Appropriation - Nonrecurring

\$1,000,000

#### 5. DENR - Water Resources Development Projects

Funds are recommended for the state's share of civil works projects for navigation, flood control, drainage, and beach protection. The costs of these projects are shared by the federal government and/or local governments using a statutory formula. (Requirements are estimated pending federal budget approval.)

Requirements - Nonrecurring

\$106,412,000

Receipts - Nonrecurring

\$87,912,000

Appropriation - Nonrecurring

\$18,500,000

#### 6. DENR - Division of Water Quality Laboratory Modular Office Building It is recommended that funds be made available to purchase and erect a modular office building to relieve overcrowding at the Chemistry Lab by relocating offices currently occupying laboratory space.

**Appropriation - Nonrecurring** 

\$257,100

#### 7. DENR - Zoo - Children's Discovery Center

Funds are recommended to demolish much of the temporary Australian exhibit and replace it with a permanent Children's Discovery Center featuring interactive and educational exhibits. The Center will serve 100,000 school children annually. The zoo depends on new exhibits to encourage attendance and generate receipts used for maintenance and operations. The North Carolina Zoological Society has committed \$1 million in private funds for this project.

Requirements - Nonrecurring

\$2,500,000

Receipts - Nonrecurring

\$1,000,000

**Appropriation - Nonrecurring** 

\$1,500,000

#### 8. DENR - Zoo - Exhibit Storage Shed

Funds are recommended for the construction of a 1,700 square foot metal storage shed to protect equipment and building materials from weather damage and theft. The storage shed will save the zoo approximately \$30,000 a year in equipment losses from theft. The storage area will also provide the zoo with sufficient space to store repair materials purchased in bulk, thus realizing additional savings.

Appropriation - Nonrecurring

\$452,800

#### 9. DENR - Nature Resource Center

Funding is recommended for the construction of a 79,400 square foot annex of the Museum of Natural Sciences. An appropriation of \$10,000,000 would be combined with \$40,000,000 of non-appropriated funds raised by the Friends of the Museum. The Nature Resource Center will engage teachers, students, and the general public in scientific research in an interactive environment.

Requirements - Nonrecurring

\$50,000,000

Receipts - Nonrecurring

\$40,000,000

Appropriation - Nonrecurring

\$10,000,000

#### 10. DENR - Office Building

Capital funding is recommended for the acquisition, planning, design, and construction of a 250,000 square foot office building for DENR employees on Blue Ridge Road in Raleigh. Currently, approximately 636 DENR employees are in leased space (including the Parker Lincoln Building). Leases will expire in three years, and this facility will provide space to relocate these employees and DENR employees now in the downtown complex.

Appropriation - Nonrecurring

\$50,005,300

#### 11. DENR - Hickory Nut Gorge State Park Land Acquisition (Chimney Rock Tract)

The Governor recommends funds to purchase land to expand the Chimney Rock tract in Hickory Nut Gorge State Park. The land acquisition is part of the North Carolina Million Acres Initiative, which set a goal of permanently preserving one million acres of open space by 2009.

Appropriation - Nonrecurring

\$15,000,000

#### 12. DENR - Forest Resources District 9 Headquarters Complex

Design and construction of a new district facility is recommended for District 9. The facility would provide an integral county office on a new site in Sylva to be provided by Southwestern Community College. The facility will consist of office space, a maintenance shop, storage areas, and a refrigerated area for seedlings.

**Appropriation - Nonrecurring** 

\$2,164,500

#### 13. Commerce - Wanchese Seafood Industrial Park

It is recommended that funds be provided for construction of an 1,844 square foot office addition to the main building of the Wanchese Industrial Park. This addition would provide office space to relieve overcrowding.

Appropriation - Nonrecurring

\$519,500

#### **UNC System - Board of Governors**

#### 1. NCSU Engineering Complex III

Capital funding is recommended for the NCSU Engineering Complex Phase III. The project will allow for the continued relocation of the College of Engineering to Centennial Campus. The 166,700 square-foot facility will meet the needs of the Departments of Mechanical and Aerospace Engineering and Biomedical Engineering. \$8,700,000 was appropriated for planning and design for this project in 2005.

Appropriation - Nonrecurring

\$61,000,000

#### 2. UNC-Wilmington School of Nursing

Capital funding is recommended for the new UNC-Wilmington School of Nursing. This 80,000 square foot facility will allow for the expansion of the School of Nursing and related programs to support the projected increases in undergraduate and graduate programs. The current space does not allow for expansion. The new space will provide modern classrooms, laboratories, simulation spaces, faculty offices, and various support spaces for the School of Nursing. \$2,600,000 was appropriated for planning funds for this project in 2005.

**Appropriation - Nonrecurring** 

\$27,000,000

#### 3. NC-CAT Ocracoke Island Station Renovation Phase III

The historic Ocracoke Island Station is being renovated for use by the North Carolina Center for Advancement of Teachers. Funding for Phase I (\$6,725,499) is included in the 2003-04 Repair and Renovation COPs; funding for Phase II (\$1,456,699) is from the 2004-05 Repair and Renovation Reserve. This request would provide furnishings and equipment to complete the project for opening in the fall of 2006.

**Appropriation - Nonrecurring** 

\$737,000

#### 4. UNC-Charlotte Center City Classroom Building

A new Center City Classroom Building is recommended at UNC-Charlotte. The new general classroom building will house mostly graduate and professional education programs. It will provide space to the Belk College of Business, the College of Architecture, and the Lee

College of Engineering. In addition, the building will be tailored to meet the needs of continuing education students and professionals working and living in the Charlotte-Mecklenburg region. The building is critical to the university's need to keep pace with projected growth.

Appropriation - Nonrecurring

\$45,827,400

#### Projects Financed with Special Indebtedness (COPs)

1. DHHS Public Health Laboratory/Office of Chief Medical Examiner

Capital Funds are recommended for the construction of a new 203,834 square foot building for the state public health lab and Office of Chief Medical Examiner. The existing public health lab facility in the Bath building is a leased facility that is in need of major renovations. A bioterrorism testing laboratory is located in a modular facility across from the Bath Building and will have to move because of the Blount Street development. The Office of Chief Medical Examiner is currently housed in the Bullit-Brinkhous Building at the UNC School of Medicine. Each building has a layout that is inefficient and too small for the current needs of the Division of Public Health. COPs would be authorized in the amount of \$101,000,000 to fund project.

Requirements - Nonrecurring

\$101,000,000

Receipts - Nonrecurring

\$101,000,000

Appropriation - Nonrecurring

2. Correction - Regional Medical Center and Mental Health Center

Funding is recommended for design and construction of a 120-bed Regional Medical Center and a 200-cell Mental Health Center at North Carolina's Central Prison in Raleigh. The construction of the medical and mental health facilities is considered critical to support the medical and mental health treatment of violent inmates. The project constitutes Phases II and III of the approved Central Prison Master Plan (March 1998) and is a recommendation in the Department of Correction Healthcare Plan (Nov. 1996). The funding breakdown for the project is \$144,000,000 in Certificates of Participation and \$7,864,137 from receipt sources.

Requirements - Nonrecurring

\$151.864.137

Receipts - Nonrecurring

\$151,864,137

Appropriation - Nonrecurring

#### **Projects Financed with Revenue Bonds**

1. Department of Administration - McDowell Street Parking Deck

Funds are recommended to construct a 1,200 space parking deck across from the Administration Building in Raleigh. The parking deck is needed to relieve overcrowding in existing parking decks in the downtown government complex and to replace parking lost by the Blount Street redevelopment project. It is recommended that revenue bonds be used to

fund this project. Debt service will be paid from parking fees generated by the deck and other downtown parking.

Requirements - Nonrecurring

\$20,000,000

Receipts - Nonrecurring

\$20,000,000

Appropriation - Nonrecurring

#### Repair and Renovation Reserve

It is recommended that \$200,000,000 from the FY 2005-06 credit balance be allocated to the Repair and Renovation Reserve Account.

1. OSBM Repair and Renovations Reserve

Of the funds in the Reserve for Repairs and Renovations for the 2006-07 fiscal year, it is recommended that \$108,000,000 (54%) be allocated to the Office of State Budget and Management for repairs and renovations pursuant to G.S. 143-15.

2. UNC Board of Governors Repair and Renovations Reserve

Of the funds in the Reserve for Repairs and Renovations for the 2006-07 fiscal year, it is recommended that \$92,000,000 (46%) be allocated to the Board of Governors of the University of North Carolina for repairs and renovations pursuant to G.S. 143-15.

Total Recommended Expansion	
Recurring	
Requirements	-
Receipts	-
Appropriation	
Number of Positions	-
Nonrecurring	
Requirements	\$764,144,532
Receipts	434,691,232
Appropriation	\$329,453,300
Number of Positions	-

#### Total Recommended Adjustments for Capital Improvements - General Fund 2006-07

Recurring
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Requirements

Receipts

Appropriation

**Number of Positions** 

Nonrecurring

Requirements

\$764,144,532

Receipts

434,691,232

Appropriation

\$329,453,300

**Number of Positions** 

Water Resources Development Projects FY 2006-2007 State Funding

( in thousands of dollars )

				( in mousands of dollars )		
Priority	Project Name		State Share	Federal Share	Local Share	
-	Wilmington Harbor Deepening		5,275	25,000	0	
7	Morehead City Harbor Sand Management (Sec 933)		1,200	2.600	400	
က	Manteo (Shallowbag) Bay Channel Maintenance			20,815	20	
4	Wilmington Harbor Maintenance Dredging		i	16,400	•	
ĸ	Morehead City Harbor Maintenance Dredging		0	9,700	0	
9	Carolina Beach Renoulshment		1,125	1,400 4	375	
7	Carolina Beach Renourishment (Kurp Beach)		681	ş 009	722	
∞ .	Brunswick County Beaches Study	-	0	200 8	0	
6	Ocean Isle Beach Renountshment (Brunswick County)		435	1,000	145	
10	Beaufort Harbor Maintenance Dredging		300	1,000	75.	
=	B. Everett Jordan Reservoir Water Supply Storage		100	0	300	
12	Aquatic Weed Control - Lake Gaston and Statewide		400	0	350	
13	Waterway connecting Pamlico Sound to Beaufort Harbor (Carteret County)		400	1,500		
4	John Н. Кеп Reservoir Ops Evaluation (Sec 216)		188 7	200		
15	Currituck Sound Water Management Study		386	300	0	
16	Surf City / North Topsail Beach Protection Study			400	175	
11	West Onlsow (Topsail) Beach Study (Pender County)		85	900	100	
18	Hurricane Stream Restoration - Western NC (Phase II) 10		2,000	o	0	
19	Hurricane Isabel Emergency Stream Cleanup (Phase III) 11		850	0	0	
20	Bogue Banks Shore Protection Study (Carteret County)		ī	375	83	
23	Neuse River Basin Study		280	130	0	
22	Beach And Inlet Management Study		200	0	0	
ន	Dredging Contingency Fund 12		2,295	0	2,062	
<b>5</b>	State - Local Projects		2,000	0	1,000	
		Total: \$	18,500 \$	82,520	\$ 5,392	

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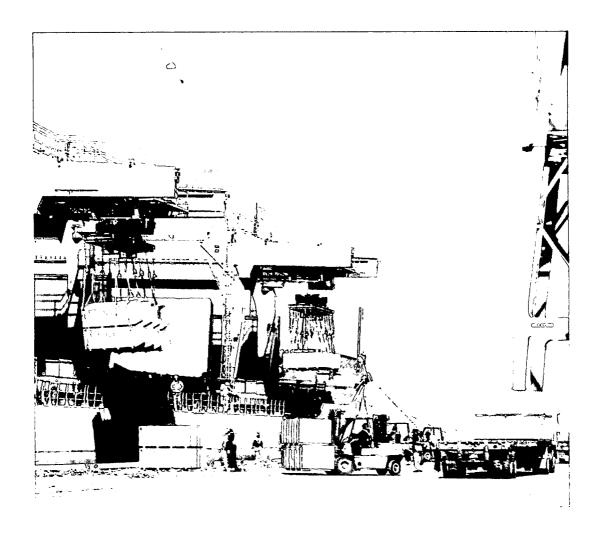
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## This is the stuff

# JOBS ARE MADE OF.



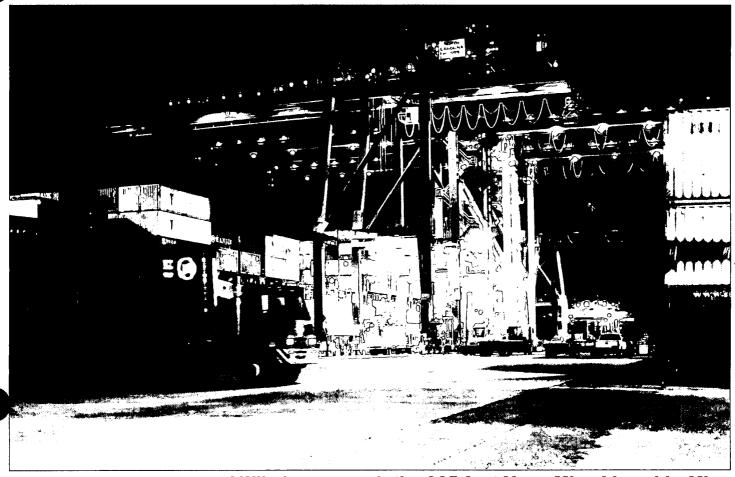
From Boone to Beaufort, North Carolina's State Ports bring jobs to all parts of our state. In fact, nearly 50,000 jobs have been created statewide by the direct and indirect impact of port activity. Our ports are the link between the factory worker in central North Carolina who makes goods for export and the home builder in Charlotte

who relies on imported lumber. When our ports are busy, so are thousands of workers in all corners of the state.

NORTH CAROLINA PORTS

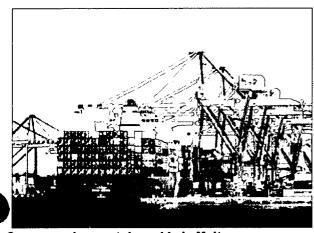


## **Four Cranes Needed for Efficient Service**

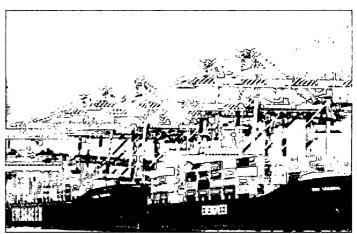


## Four cranes at the Port of Wilmington work the 905-foot Yang Ming Line ship *Ming North* in December 2004.

A ship this size might require 1,200 crane moves during its call – at Wilmington's industry-leading pace of 40+ moves per crane per hour, that would be 30 crane hours. Time is money for a ship this size, with an hour of operation costing thousands of dollars, and a day of delay a huge loss to the shipping line and the customers. Efficient service – and handling as well as attracting more business - requires an appropriate number of cranes to move the containers and shorten ships' time in port.



Cranes work a container ship in Malta

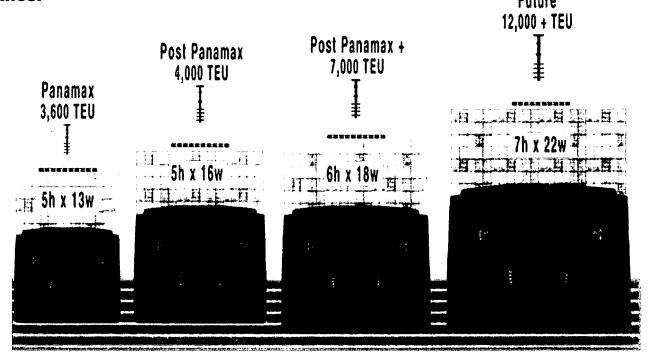


Cranes work two Evergreen container ships at the Port of Los Angeles



## **Bigger Ships Need Bigger Cranes**

The largest ships currently calling at the Port of Wilmington are Panamax - 13 containers wide. The four new cranes on order and due for delivery in January 2007 will accommodate Post-Panamax-plus projected during the life span of the cranes. **Future** 

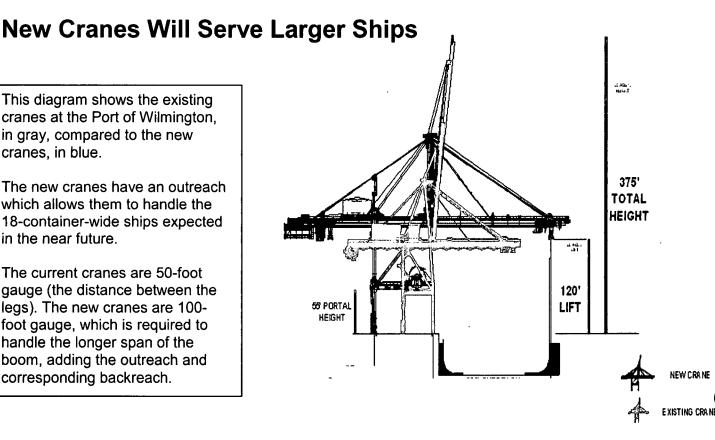


This diagram shows the existing cranes at the Port of Wilmington, in gray, compared to the new

cranes, in blue.

The new cranes have an outreach which allows them to handle the 18-container-wide ships expected in the near future.

The current cranes are 50-foot gauge (the distance between the legs). The new cranes are 100foot gauge, which is required to handle the longer span of the boom, adding the outreach and corresponding backreach.



# N.C. Division of Water Resources State Funding Requirements Water Resources Development Projects FY 2006-2007

(in thousands of dollars)

		( iii uik	Jusanus on donais j	
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**NC Northeastern Region** 

Customer Name GKN Automotove QVC

Thorpe and Ricks

LG Sourcing (Lowe's)

Commodity

Equipment, Machinery Freight All Kinds Lumber

Household Goods, Furniture

NC Location Whitakers

Rocky Mount Rocky Mount

N. Wilkesboro, Olin, Garysburg

County
Edgecombe
Edgecombe & Nash
Edgecombe & Nash

New Hanover

New Hanover

New Hanover

Wilkes, Iredell, Northampton

NC Eastern Region

**Customer Name** Commodity **NC Location** County Morehead City Carolina Ocean Lines Lumber Carteret Sea Striker Sporting Goods Morehead City Carteret Morehead City Household Goods Suncoast of America Carteret TMX Shipping Lumber Morehead City Carteret **US Navy** General Military Morehead City Carteret Baillie Lumber Lumber Cove City Craven

Carolina By Products Animal Feed, Frozen Meat, Seafood House of Raeford Frozen Poultry

Tobacco

Harvey Price Cotton Cotton Moen Incorporated Plumbing Rose Brothers Furniture **Furniture Austin Tobacco** Tobacco Nacco Materials Equipment, Machinery Household Goods, Furniture **Excell Home Fashions** James Miller Tobacco Co Tobacco Standard Commercial Tobacco Tobacco **United Tobacco** Tobacco

Fayetteville, Rose Hill, Wadesboro
Rose Hill
Kinston
Cumberland, Duplin, Anson
Duplin
Lenoir

Lenoir Kinston Lenoir Jacksonville Onslow Farmville Pitt Greenville Pitt Goldsboro Wayne Wilson Wilson Wilson Wilson Wilson Wilson Wilson Wilson

**NC's Southeast** 

Universal Leaf Tobacco

**Customer Name** Commodity **NC Location** County Altex Corporation Yarn Wilmington New Hanover Equipment, Machinery American Crane Corp Wilmington New Hanover Wilmington American Crane Corp Equipment, Machinery New Hanover Aloha Houseware **Appliances** Clinton Sampson

NC's Southeast

**Customer Name** Commodity **NC Location** County Penny Newman Grain Co Cotton Clarkton Bladen Smithfield Packing Frozen Meats, Seafood Tarheel Bladen Leather Italia **Furniture** Leland Brunswick General Military Military Ocean Terminal Southport Brunswick Cox Discount Furniture **Furniture** Whiteville Columbus International Paper Woodpulp, Lumber, Paper Riegelwood Columbus Maidenform Inc Textiles, Apparel Favetteville Cumberland Cumberland, Duplin, Anson

Carolina By Products

Animal Feed, Frozen Meat, Seafood
Boke Trading

General Articles

Campbell Sales Group

Cape Craftsmen, Inc

Animal Feed, Frozen Meat, Seafood

Wilmington

Wilmington

Wilmington

Household Goods Wilmington Don O Tickle New Hanover Down Island Enterprises Household Goods Wilmington New Hanover **Elementis Chromium** Chemicals Castle Hayne New Hanover Faith Group **Plastics** Wilmington New Hanover

The Hipage Company Freight All Kinds Charlotte, Wilmington Mecklenburg, New Hanover Invista Chemcals, Synthetic Resin Wilmington New Hanover

Chemcals, Synthetic Resin Wilmington Olam America Intl Cotton Wilmington **New Hanover** Royal Saudi Air Defense General Military Wilmington **New Hanover** Royal Saudi Army General Military Wilmington New Hanover Royal Saudi Navy General Military Wilmington **New Hanover** Tri Vista Designs Household Goods Wilmington New Hanover Intercontinental Hardwoods Lumber Currie Pender

 Intercontinental Hardwoods
 Lumber
 Currie
 Pender

 LL Building Products
 Equipment, Machinery
 Burgaw
 Pender

 Mountaire Farms
 Frozen Meats, Seafood
 Lumber Bridge
 Robeson

Research Triangle Regional Partnership

**Customer Name** Commodity **NC Location** County Hart Furniture **Furniture** Siler City Chatham Amgad Nassar Boats, Life Rafts Durham Durham Corning Inc Clay, Feldspar Durham Durham Home Comfort Distribution **Furniture** Durham Durham

Stansbury Burke Household Goods Charlotte, Durham Mecklenburg, Durham

Georgia Pacific Butner Granville Lumber Oxford Universal Leaf Tobacco Tobacco Granville Equipment, Machinery Lillington Harnett Powell and Powell Supply Co. **Sporting Goods Direct Distributors** Selma **Johnston** Jerry G Williams and Sons Lumber Smithfield Johnston Roberts Wholesale Body Parts Equipment, Machinery Clayton Johnston Woodard Forest and Imports Lumber Smithfield Johnston Honeywell Performance Fibers Yarn Sanford Lee Lee, Chatham Goldkist Frozen Meats, Seafood Sanford, Siler City Kolcraft Enterprises Household Goods Aberdeen Moore Variety Wholesalers Freight All Kinds Henderson, Raleigh Vance, Wake AG Raymond Household Goods Raleigh Wake **Bob Barker Company** Footweat, Apparel Fuguay-Varina Wake Cooper Hand Tools Equipment, Machinery Apex Wake Cooper Industries Equipment, Machinery Apex Wake **DBA Auto Parts** Equipment, Machinery Raleigh Wake Frontier Auto Body Supply Equipment, Machinery Raleigh Wake **OH Distributors** Equipment, Machinery Raleigh Wake Raleigh JB International Frozen Meats, Seafood Wake Powell and Powell Equipment, Machinery Fuquay-Varina Wake Shine Auto Sales Vehicle, Tractors, Buses Greensboro, Raleigh Guilford, Wake Charlotte, Raleigh, Statesville Sinai International Metal Scrap Mecklenburg, Wake, Iredell

**Piedmont Triad Partnership** 

**Customer Name** Commodity **NC Location** County Gem and Company Yarn Burlington Alamance Furniture Thomasville Davidson Ardley Hall Giorgio Gori Lumber Lexinaton Davidson Lexington Gorimar Lumber Davidson JE Jones Lumber Lexington Davidson Household Goods Winston Salem **Encore Express** Forsyth Jerry Johnson Motors Equipment, Machinery Winston Salem Forsyth Guilford High Point Adams Pierce Furniture Co **Furniture** Bernards **Furniture** High Point Guilford **BGF** Industries Glass Greensboro Guilford **BGF Industries Bobbins** Greensboro Guilford Danzas Yarn Greensboro, Charlotte Guilford, Mecklenburg De Coro Ltd Furniture High Point Guilford Guilford **Dimon International** Tobacco Greensboro DLH Nordisk, Inc. Construction and Building Equipment Greensboro Guilford Donabu USA Steel Greensboro Guilford Furniture Burke, Guilford Drexel Heritage Furnishings Drexel, Morganton, High Point Guilford E.N. Beard Lumber Lumber Greensboro Furniture High Point Guilford **Emeral Home Furnishings** Guilford Hannamint Corporation Furniture Greensboro ICP Intl Furniture Greensboro Guilford Itochu Building Products Bolts, Nuts, Screws Greensboro Guilford Kilop USA Guilford Fiber, Yarn Greensboro King Textiles **Furniture** High Point Guilford Konica Minolta Film. Photo Material Whitsett Guilford Bernards Inc Furniture, Furniture Parts Archdale Randolph Colllezione Europa USA **Furniture** Liberty Randolph JDI Group Inc **Furniture** Asheboro Randolph Klaussner Furniture **Furniture** Randolph Asheboro

**Piedmont Triad Partnership** 

**Customer Name** Commodity **NC Location** County Lexington Furniture Industries **Furniture** Lexington Davidson **PPG Industries** Ore, Mica, Schist Lexington Davidson Lumber Thomasville Prime Lumber Company Davidson Thomasville Furniture Furniture Thomasville Davidson Thomasville Whitewood Industries **Furniture** Davidson Parrish Tire Tires, Rubber Winston Salem Forsyth RJ Revnolds Tobacco Winston Salem Forsyth The Dize Company Construction and Building Equipment Winston Salem Forsyth Leather Direct **Furniture** High Point Guilford Legacy Classic Furniture **Furniture** Whitsett Guilford Lifestyle Enterprise Furniture High Point Guilford Maitland-Smith High Point Furniture Guilford Manchester Furniture **Furniture** High Point, Lexington Guilford, Davidson

Mickey Truck Bodies, Inc. High Point Guilford Vehicle, Tractors, Buses Mumbo Jumbo Household Goods, Furniture Greensboro Guilford **Piedmont Chemical** Chemicals High Point Guilford Preferred Furniture Components **Furniture High Point** Guilford Procter and Gamble **Bath and Beauty Products** Guilford Greensboro Rockford Furniture **Furniture** High Point Guilford Shine Auto Sales Vehicle, Tractors, Buses Greensboro, Raleigh Guilford, Wake South Asia Furniture **Furniture** Greensboro Guilford South Sea Rattan Furniture\_ Greensboro Guilford Universal Furniture Industries **Furniture** High Point Guilford Lloyd Buxton **Furniture** Reidsville Rockingham

#### **Charlotte Regional Partnership**

US World Foods

Sinai International

Stansbury Burke

CK International

Goulston

APA International Corp

**Customer Name** Commodity **NC Location** County Broyhill Furniture **Furniture** Rutherfordton, Lenoir, Conover Rutherford, Caldwell, Catawba Carolina By Products Animal Feed, Frozen Meat, Seafood Fayetteville, Rose Hill, Wadesboro Cumberland, Duplin, Anson Minka Lighting Liahtina Concord Cabarrus Acacia Furniture Furniture Conover Catawba Bassett **Furniture** Newton Catawba Laneventure **Furniture** Conover Catawba Northeast Consolidated Inc Conover, Hickory Lumber Catawba Progressive Furniture **Furniture** Claremont Catawba Regency House **Furniture** Hickory Catawba Shoal Creek Log and Lumber Lumber Hickory Catawha Vangard Furniture Furniture Conover Catawba **CK** International Canton, Monroe, Lenoir Lumber Haywood, Union, Caldwell Alcan Composites Lumber, Paper, Synthetic Resin Statesville Iredell Golden Goose Statesville Iredell **Furniture** LG Sourcing (Lowe's) Household Goods, Furniture N. Wilkesboro, Olin, Garysburg Wilkes, Iredell, Northampton Allenberg Cotton Co Cotton Mecklenburg Charlotte Ansell Healthcare Products Medical Supplies Charlotte Mecklenburg General Articles, Household Goods Mecklenburg Aplix Charlotte **Ashland Distributors Furniture** Charlotte Mecklenburg Barthco International Leather, Apparel Charlotte Mecklenburg Cheng Shin Rubber USA Tires, Rubber Charlotte Mecklenburg Circle International **Textile Products** Mecklenburg Charlotte Mecklenburg Consolidated Textiles **Textile Products** Charlotte Greensboro, Charlotte Guilford, Mecklenburg Danzas Yarn Highland Mills **Textile Products** Mecklenburg Charlotte The Hipage Company Freight All Kinds Charlotte, Wilmington Mecklenburg, New Hanover Kuehne and Nagel General Articles Mecklenburg Charlotte Kuehne and Nagel Freight All Kinds Charlotte Mecklenburg LTL Home Products Construction and Building Equip. Mecklenburg Charlotte Panalpina Freight All Kinds Charlotte Mecklenburg Panapina Chemicals Charlotte Mecklenburg **Furniture** Rooms to Go Charlotte Mecklenburg Royal Processing Yarn Charlotte Mecklenburg Stansbury Burke Household Goods Charlotte, Durham Mecklenburg, Durham Stein Fibers Fiber, Yarn Charlotte Mecklenburg Stevens Product Furniture Matthews Mecklenburg Stewart Fasteners Bolts, Nuts, Screws Charlotte Mecklenburg **Tower Group International** Bolts, Nuts, Screws Charlotte Mecklenburg

**Advantage West Customer Name** Commodity **NC Location** County Henredon Furniture Furniture Morganton Burke Drexel Heritage Furnishings Drexel, Morganton, High Point Burke, Guilford Furniture Johnson International Lumber Lenoir Caldwell Blue Ridge Paper Products Paper Canton Haywood Pacific Millenium Lumber, Fiberboard Canton, Lenoir Haywood, Caldwell **CK International** Lumber Canton, Monroe, Lenoir Haywood, Union, Caldwell **Broyhill Furniture Furniture** Rutherfordton, Lenoir, Conover Rutherford, Caldwell, Catawba Frozen Meats, Seafood Tyson Food Inc Wilkesboro LG Sourcing (Lowe's) Household Goods, Furniture N. Wilkesboro, Olin, Garysburg Wilkes, Iredell, Northampton

Charlotte

Richfield

Monroe

Charlotte, Durham

Canton, Monroe, Lenoir

Charlotte, Raleigh, Statesville

Mecklenburg

Stanly

Union

Mecklenburg, Wake, Iredell

Haywood, Union, Caldwell

Mecklenburg, Durham

Frozen Meats, Seafood

Metal Scrap

**Furniture** 

Lumber

Household Goods

General Articles



# NC State Ports Authority FY 06-07 Capital Appropriations Request \$7.5 Million

	Selected Critical Capital In	pital Improvement Projects for Appropriations Request		
	Project Name/Description	Project Impact	Project Cost	FY 06-07 Cost
-	New Container Cranes (4) – consistent with the NC State Ports Authority Master Capital Development and Strategic Plans	<ul> <li>Additional container cranes are required for ongoing port expansion program to meet forecast growth in international trade and to increase statewide jobs and tax revenues.</li> <li>Revenues from container operations at the Port of Wilmington accounted for 19% of the NC State Ports Authority's total revenue, or \$ 6.6 million in Fiscal Year 2005.</li> <li>Activities by one container shipping company alone contribute to over 20,000 jobs statewide and nearly \$1.5 million in annual tax revenues.</li> </ul>	\$33,244,000	\$26,596,000
7	Radio Island Port Development – includes construction of three 100,000 square foot warehouses, 31 acres of open storage, and two 1,000-foot berths as per the approved Environmental Impact Study	<ul> <li>This project is necessary to meet the growth needs of existing customers as well as forecast new business.</li> <li>Based on projected cargo volumes at the new Radio Island port, an additional 1,000 jobs and \$6.3 million in annual state and local tax revenues will result from this project.</li> </ul>	\$7,287,590	\$3,500,000
က	Crane Rail Extension – includes construction of a 32-foot gauge crane rail for general cargo ship operations, and construction of a new 50-foot gauge crane rail for container ship operations	<ul> <li>This project will extend the life and improve utility of the existing facility by increasing berth space for cargo operations and providing more efficient crane operations.</li> <li>This will ensure both container and general cargo growth and capacity goals can be met.</li> </ul>	\$4,072,706	\$1,757,120
4	Terminal Operating System (TOS) – hardware and software tookset that will provide improved yard planning, management and cargo tracking capabilities	<ul> <li>Today's shipping industry requires sophisticated information management capabilities to achieve industry standard service levels.</li> <li>This project will enhance utilization of manpower, berths, stacking areas, and equipment and allow greater cargo volumes to move through the ports, and therefore increase economic benefits to the State.</li> </ul>	\$2,038,306	\$1,000,000
က	Berth 8-9 Improvements – provides new fenders and hardware needed for larger vessels using the new 42' channel	<ul> <li>This project is needed in order for larger container ships to be safely worked and to protect the Port Authority's \$17.5 million berth infrastructure investment.</li> </ul>	\$3,735,785	\$3,314,759
		TOTAL PROJECT COST	\$50,378,387	\$36,167,879

Last Updated: 5/9/2006

\$7,500,000 \$28,667,879

APPROPRIATION REQUESTED

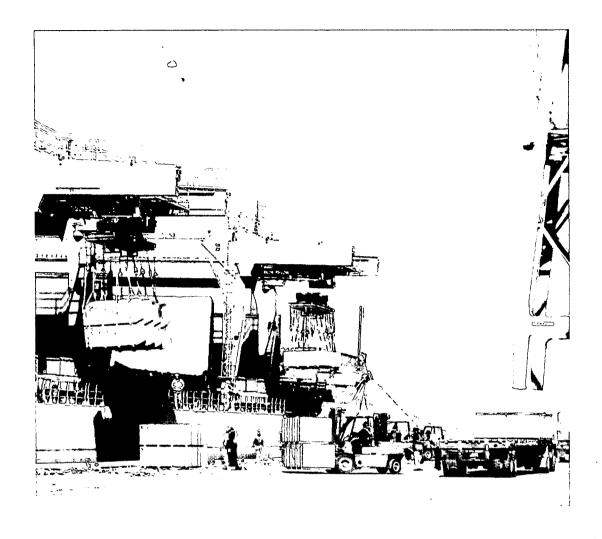
**PORT FUNDED** 

#### N.C. Division of Water Resources State Funding Requirements Water Resources Development Projects FY 2006-2007

(in thousands of dollars)

		( in the	ousands of dollars )	•
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## JOBS ARE MADE OF.



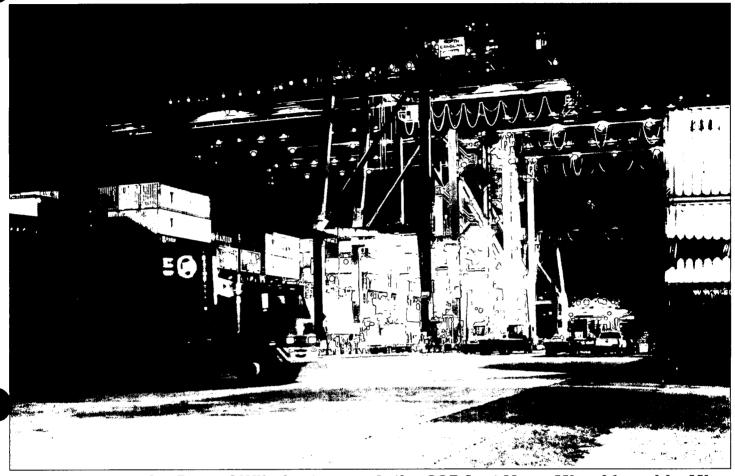
From Boone to Beaufort, North Carolina's State Ports bring jobs to all parts of our state. In fact, nearly 50,000 jobs have been created statewide by the direct and indirect impact of port activity. Our ports are the link between the factory worker in central North Carolina who makes goods for export and the home builder in Charlotte

who relies on imported lumber. When our ports are busy, so are thousands of workers in all corners of the state.

NORTH CAROLINA PORTS

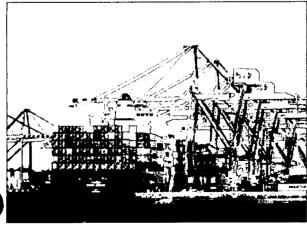


### **Four Cranes Needed for Efficient Service**

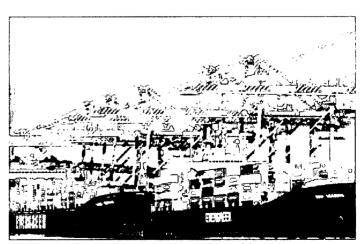


## Four cranes at the Port of Wilmington work the 905-foot Yang Ming Line ship *Ming North* in December 2004.

A ship this size might require 1,200 crane moves during its call – at Wilmington's industry-leading pace of 40+ moves per crane per hour, that would be 30 crane hours. Time is money for a ship this size, with an hour of operation costing thousands of dollars, and a day of delay a huge loss to the shipping line and the customers. Efficient service – and handling as well as attracting more business - requires an appropriate number of cranes to move the containers and shorten ships' time in port.



Cranes work a container ship in Malta

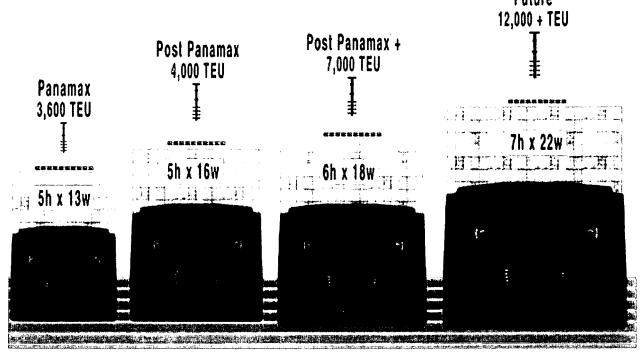


Cranes work two Evergreen container ships at the Port of Los Angeles



## **Bigger Ships Need Bigger Cranes**

The largest ships currently calling at the Port of Wilmington are Panamax - 13 containers wide. The four new cranes on order and due for delivery in January 2007 will accommodate Post-Panamax-plus projected during the life span of the cranes. **Future** 

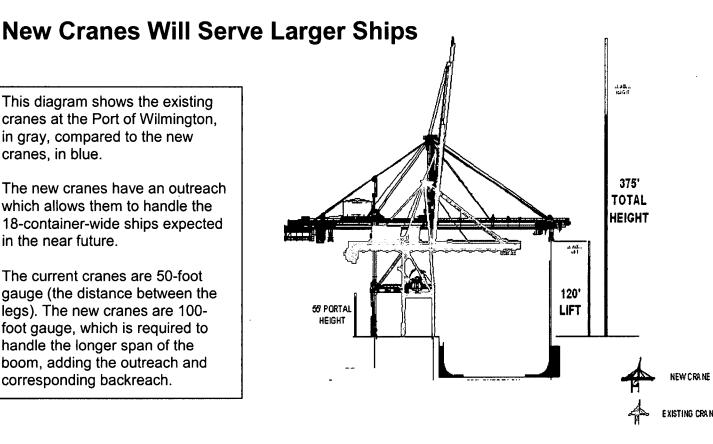


This diagram shows the existing cranes at the Port of Wilmington, in gray, compared to the new

cranes, in blue.

The new cranes have an outreach which allows them to handle the 18-container-wide ships expected in the near future.

The current cranes are 50-foot gauge (the distance between the legs). The new cranes are 100foot gauge, which is required to handle the longer span of the boom, adding the outreach and corresponding backreach.



**NC Northeastern Region** 

Customer Name GKN Automotove

QVC Thorpe and Ricks

LG Sourcing (Lowe's)

<u>Commodity</u> Equipment, Machinery Freight All Kinds

Lumber

Tobacco

Household Goods, Furniture

NC Location Whitakers Rocky Mount

Wilson

Rocky Mount N. Wilkesboro, Olin, Garysburg County
Edgecombe
Edgecombe & Nash
Edgecombe & Nash

Wilson

Wilkes, Iredell, Northampton

NC Eastern Region

**Customer Name** Commodity NC Location County Carolina Ocean Lines Lumber Morehead City Carteret Sea Striker Sporting Goods Morehead City Carteret Suncoast of America Household Goods Morehead City Carteret TMX Shipping Lumber Morehead City Carteret **US Navy** General Military Morehead City Carteret Lumber

Baillie Lumber Cove City Craven Carolina By Products Animal Feed, Frozen Meat, Seafood Fayetteville, Rose Hill, Wadesboro Cumberland, Duplin, Anson House of Raeford Frozen Poultry Rose Hill Duplin Harvey Price Cotton Cotton Kinston Lenoir Moen Incorporated Plumbing Kinston Lenoir Rose Brothers Furniture Furniture Jacksonville Onslow Farmville Austin Tobacco Tobacco Pitt Nacco Materials Equipment, Machinery Greenville Pitt Household Goods, Furniture **Excell Home Fashions** Goldsboro Wayne James Miller Tobacco Co Wilson Tobacco Wilson Standard Commercial Tobacco Tobacco Wilson Wilson **United Tobacco** Tobacco Wilson Wilson

NC's Southeast

Universal Leaf Tobacco

**Customer Name** Commodity **NC** Location County Altex Corporation Wilmington New Hanover Yarn American Crane Corp Equipment, Machinery Wilmington New Hanover American Crane Corp Equipment, Machinery Wilmington New Hanover Aloha Houseware Appliances Clinton Sampson

**NC's Southeast** 

**Customer Name** Commodity **NC Location** County Penny Newman Grain Co Cotton Clarkton Bladen Smithfield Packing Frozen Meats, Seafood Tarheel Bladen Leather Italia **Furniture** Leland Brunswick Military Ocean Terminal **General Military** Southport Brunswick Cox Discount Furniture **Furniture** Whiteville Columbus International Paper Woodpulp, Lumber, Paper Riegelwood Columbus Maidenform Inc. Textiles, Apparel Favetteville Cumberland

Carolina By Products Animal Feed, Frozen Meat, Seafood Fayetteville, Rose Hill, Wadesboro Cumberland, Duplin, Anson **Boke Trading General Articles** Wilmington New Hanover Campbell Sales Group **Furniture** Wilmington New Hanover Cape Craftsmen, Inc. Household Goods, Furniture Wilmington New Hanover Don O Tickle Household Goods Wilmington New Hanover Household Goods Wilmington **New Hanover** 

Down Island Enterprises Household Goods Wilmington New Hanover

Down Island Enterprises Household Goods Wilmington New Hanover

Elementis Chromium Chemicals Castle Hayne New Hanover

Faith Group Plastics Wilmington New Hanover

The Hipage Company Freight All Kinds Charlotte, Wilmington Mecklenburg, New Hanover

Invista Chemcals, Synthetic Resin Wilmington New Hanover Olam America Intl Cotton Wilmington **New Hanover** Royal Saudi Air Defense General Military Wilmington New Hanover Royal Saudi Army General Military Wilmington **New Hanover** Royal Saudi Navy General Military Wilmington New Hanover Wilmington Tri Vista Designs Household Goods New Hanover

 Intercontinental Hardwoods
 Lumber
 Currie
 Pender

 LL Building Products
 Equipment, Machinery
 Burgaw
 Pender

 Mountaire Farms
 Frozen Meats, Seafood
 Lumber Bridge
 Robeson

Research Triangle Regional Partnership

**Customer Name** Commodity **NC Location** County Hart Furniture Furniture Siler City Chatham Amgad Nassar Boats, Life Rafts Durham Durham Corning Inc Clay, Feldspar Durham Durham Home Comfort Distribution Furniture Durham Durham

Stansbury Burke Household Goods Charlotte, Durham Mecklenburg, Durham

Georgia Pacific Universal Leaf Tobacco Powell and Powell Supply Co **Direct Distributors** Jerry G Williams and Sons Roberts Wholesale Body Parts Woodard Forest and Imports Honeywell Performance Fibers. Goldkist Kolcraft Enterprises Variety Wholesalers AG Raymond

**Bob Barker Company** Cooper Hand Tools Cooper Industries **DBA Auto Parts** Frontier Auto Body Supply **OH Distributors** JB International

Powell and Powell Shine Auto Sales

Sinai International

Lumber Tobacco

Equipment, Machinery **Sporting Goods** Lumber

Equipment, Machinery Lumber

Frozen Meats, Seafood **Household Goods** Freight All Kinds Household Goods Footweat, Apparel Equipment, Machinery Equipment, Machinery Equipment, Machinery

Equipment, Machinery Equipment, Machinery Frozen Meats, Seafood Equipment, Machinery Vehicle, Tractors, Buses

Metal Scrap

Commodity

**Furniture** 

Lumber

Lumber

Lumber

Furniture

**Furniture** 

Glass

Yarn

Steel

**Bobbins** 

**Furniture** 

Tobacco

**Furniture** Lumber

**Furniture** 

**Furniture** 

**Furniture** 

Fiber, Yarn

**Furniture** 

Furniture

**Furniture** 

Furniture

Bolts, Nuts, Screws

Film, Photo Material

Furniture, Furniture Parts

Household Goods

Equipment, Machinery

Construction and Building Equipment

Yarn

**Butner** Granville Oxford Granville Lillington Hamett Selma Johnston Smithfield Johnston Clayton **Johnston** Smithfield **Johnston** Sanford Lee

Sanford, Siler City Lee, Chatham Aberdeen Moore Henderson, Raleigh Vance, Wake Raleigh Wake Fuquay-Varina Wake Apex Wake Wake Apex Raleigh Wake Raleigh Wake Raleigh Wake Raleigh Wake

Fuquay-Varina Greensboro, Raleigh Guilford, Wake

Charlotte, Raleigh, Statesville Mecklenburg, Wake, Iredell

Wake

County

Alamance

Davidson

**Piedmont Triad Partnership** 

**Customer Name** Gem and Company Ardley Hall Giorgio Gori Gorimar JE Jones **Encore Express** 

Jerry Johnson Motors Adams Pierce Furniture Co Bernards **BGF Industries BGF Industries** 

Danzas De Coro Ltd Dimon International DLH Nordisk, Inc. Dongbu USA Drexel Heritage Furnishings

E.N. Beard Lumber **Emeral Home Furnishings Hannamint Corporation** 

ICP Intl

Itochu Building Products Kilop USA King Textiles

Konica Minolta Bernards Inc

Colllezione Europa USA JDI Group Inc Klaussner Furniture

**Piedmont Triad Partnership** 

**Customer Name** Lexington Furniture Industries **PPG Industries** Prime Lumber Company Thomasville Furniture Whitewood Industries Parrish Tire RJ Reynolds The Dize Company Leather Direct Legacy Classic Furniture

Lifestyle Enterprise

Manchester Furniture

Maitland-Smith

Commodity Furniture

Furniture

Furniture

Ore, Mica, Schist Lumber **Furniture Furniture** Tires, Rubber Tobacco Construction and Building Equipment Furniture **Furniture Furniture** 

Thomasville Lexington Lexington Lexington Winston Salem Winston Salem High Point High Point Greensboro

**NC Location** 

Burlington

Greensboro Greensboro, Charlotte High Point Greensboro

Greensboro Greensboro Drexel, Morganton, High Point Greensboro High Point Greensboro Greensboro

High Point Whitsett Archdale Liberty Asheboro Asheboro

Greensboro

Greensboro

**NC Location** Lexington

Lexington Thomasville Thomasville Thomasville Winston Salem Winston Salem Winston Salem High Point Whitsett High Point

High Point High Point, Lexington Davidson Davidson Davidson Forsyth Forsyth Guilford Guilford Guilford

Guilford Guilford, Mecklenburg

Guilford Guilford Guilford Guilford Burke Guilford Guilford Guilford Guilford Guilford Guilford Guilford Guilford Guilford Randolph Randolph Randolph Randolph

County Davidson Davidson Davidson Davidson Davidson Forsyth Forsyth Forsyth Guilford Guilford Guilford Guilford

Guilford, Davidson

High Point Guilford Mickey Truck Bodies, Inc. Vehicle, Tractors, Buses Mumbo Jumbo Household Goods, Furniture Greensboro Guilford Chemicals High Point Guilford Piedmont Chemical Preferred Furniture Components **Furniture** High Point Guilford Guilford Procter and Gamble Bath and Beauty Products Greensboro Rockford Furniture **Furniture** High Point Guilford Greensboro, Raleigh Vehicle, Tractors, Buses Guilford, Wake Shine Auto Sales South Asia Furniture **Furniture** Greensboro Guilford Greensboro Guilford South Sea Rattan Furniture Universal Furniture Industries High Point Guilford Furniture Reidsville Rockingham Lloyd Buxton Furniture

**Charlotte Regional Partnership** 

**NC Location Customer Name** Commodity County **Brovhill Furniture** Furniture Rutherfordton, Lenoir, Conover Rutherford, Caldwell, Catawba Animal Feed, Frozen Meat, Seafood Carolina By Products Fayetteville, Rose Hill, Wadesboro Cumberland, Duplin, Anson Minka Lighting Lighting Concord Cabarrus Conover Catawba Acacia Furniture **Furniture** Bassett Furniture Newton Catawba Laneventure Furniture Conover Catawba Northeast Consolidated Inc. Lumber Conover, Hickory Catawba Progressive Furniture **Furniture** Claremont Catawba Regency House **Furniture** Hickory Catawba Shoal Creek Log and Lumber Lumber Hickory Catawba Vangard Furniture Furniture Conover Catawba **CK International** Lumber Canton, Monroe, Lenoir Haywood, Union, Caldwell Alcan Composites Lumber, Paper, Synthetic Resin Statesville Iredell Golden Goose **Furniture** Statesville Iredell Household Goods, Furniture N. Wilkesboro, Olin, Garysburg Wilkes, Iredell, Northampton LG Sourcing (Lowe's) Allenberg Cotton Co Cotton Charlotte Mecklenburg Ansell Healthcare Products Medical Supplies Mecklenburg Charlotte Aplix Charlotte General Articles, Household Goods Mecklenburg Mecklenburg Ashland Distributors Furniture Charlotte Leather, Apparel Mecklenburg Barthco International Charlotte Cheng Shin Rubber USA Tires, Rubber Charlotte Mecklenburg Circle International **Textile Products** Charlotte Mecklenburg Textile Products Mecklenburg Consolidated Textiles Charlotte Danzas Greensboro, Charlotte Guilford, Mecklenburg Yarn Highland Mills Textile Products Mecklenburg Charlotte The Hipage Company Freight All Kinds Charlotte, Wilmington Mecklenburg, New Hanover General Articles Mecklenburg Kuehne and Nagel Charlotte Freight All Kinds Mecklenburg Kuehne and Nagel Charlotte LTL Home Products Construction and Building Equip. Mecklenburg Charlotte Freight All Kinds Mecklenburg Panalpina Charlotte Panapina Chemicals Charlotte Mecklenburg Furniture Mecklenburg Charlotte Rooms to Go Mecklenburg Royal Processing Yarn Charlotte Charlotte, Durham Mecklenburg, Durham Stansbury Burke Household Goods Mecklenburg Stein Fibers Fiber, Yarn Charlotte Mecklenburg Stevens Product **Furniture** Matthews Stewart Fasteners Bolts, Nuts, Screws Charlotte Mecklenburg Tower Group International Bolts, Nuts, Screws Charlotte Mecklenburg **US World Foods** Frozen Meats, Seafood Charlotte Mecklenburg Charlotte, Raleigh, Statesville Mecklenburg, Wake, Iredell Sinai International Metal Scrap Stansbury Burke Household Goods Charlotte, Durham Mecklenburg, Durham APA International Corp Richfield **Furniture** Stanly

**Advantage West** 

**CK International** 

Goulston

**Customer Name** Commodity NC Location County Henredon Furniture Furniture Morganton Burke Burke, Guilford **Drexel Heritage Furnishings Furniture** Drexel, Morganton, High Point Johnson International Lumber Lenoir Caldwell Blue Ridge Paper Products Paper Canton Havwood Pacific Millenium Lumber, Fiberboard Canton, Lenoir Haywood, Caldwell **CK** International Lumber Canton, Monroe, Lenoir Haywood, Union, Caldwell **Broyhill Furniture** Furniture Rutherfordton, Lenoir, Conover Rutherford, Caldwell, Catawba Tyson Food Inc Frozen Meats, Seafood Wilkesboro Household Goods, Furniture N. Wilkesboro, Olin, Garysburg Wilkes, Iredell, Northampton LG Sourcing (Lowe's)

Canton, Monroe, Lenoir

Monroe

Lumber

General Articles

Haywood, Union, Caldwell

Union



# NC State Ports Authority FY 06-07 Capital Appropriations Request \$7.5 Million

cted Critical Canital Improvement Projects for Appropriations Request

	Selected Critical Capital Ir	Selected Critical Capital Improvement Projects for Appropriations Request		
	Project Name/Description	Project Impact	Project Cost	FY 06-07 Cost
-	New Container Cranes (4) – consistent with the NC State Ports Authority Master Capital Development and Strategic Plans	<ul> <li>Additional container cranes are required for ongoing port expansion program to meet forecast growth in international trade and to increase statewide jobs and tax revenues.</li> <li>Revenues from container operations at the Port of Wilmington accounted for 19% of the NC State Ports Authority's total revenue, or \$ 6.6 million in Fiscal Year 2005.</li> <li>Activities by one container shipping company alone contribute to over 20,000 jobs statewide and nearly \$1.5 million in annual tax revenues.</li> </ul>	\$33,244,000	\$26,596,000
2	Radio Island Port Development – includes construction of three 100,000 square foot warehouses, 31 acres of open storage, and two 1,000-foot berths as per the approved Environmental Impact Study	<ul> <li>This project is necessary to meet the growth needs of existing customers as well as forecast new business.</li> <li>Based on projected cargo volumes at the new Radio Island port, an additional 1,000 jobs and \$6.3 million in annual state and local tax revenues will result from this project.</li> </ul>	\$7,287,590	\$3,500,000
က	Crane Rail Extension – includes construction of a 32-foot gauge crane rail for general cargo ship operations, and construction of a new 50-foot gauge crane rail for container ship operations	<ul> <li>This project will extend the life and improve utility of the existing facility by increasing berth space for cargo operations and providing more efficient crane operations.</li> <li>This will ensure both container and general cargo growth and capacity goals can be met.</li> </ul>	\$4,072,706	\$1,757,120
4	Terminal Operating System (TOS) – hardware and software toolset that will provide improved yard planning, management and cargo tracking capabilities	<ul> <li>Today's shipping industry requires sophisticated information management capabilities to achieve industry standard service levels.</li> <li>This project will enhance utilization of manpower, berths, stacking areas, and equipment and allow greater cargo volumes to move through the ports, and therefore increase economic benefits to the State.</li> </ul>	\$2,038,306	\$1,000,000
2	<b>Berth 8-9 Improvements –</b> provides new fenders and hardware needed for larger vessels using the new 42' channel	<ul> <li>This project is needed in order for larger container ships to be safely worked and to protect the Port Authority's \$17.5 million berth infrastructure investment.</li> </ul>	\$3,735,785	\$3,314,759
		TOTAL PROJECT COST	\$50,378,387	\$36,167,879

APPROPRIATION REQUESTED

PORT FUNDED

\$7,500,000

\$28,667,879

## **Critical Preparedness Infrastructure**

New State PH Laboratory and OCME Facility Report to House Appropriations

May 24, 2006

## Key Role for SLPH: PREPAREDNESS

- Since 2001, serves as the NC lead laboratory for National Laboratory Response Network (LRN) for CDC
- Conduct Bioterrorism testing-anthrax crisis, ricin, postal service testing, white powder testing
- Conducts Chemical terrorism testing
- High level containment laboratory (BSL-3)

## Key Role for the Medical Examiner: PREPAREDNESS

- Autopsy Confirmation
- Toxicology
- Mass Casualties
- Federal Team Support Logistics
- Law Enforcement

## Governor's Budget Recommendation

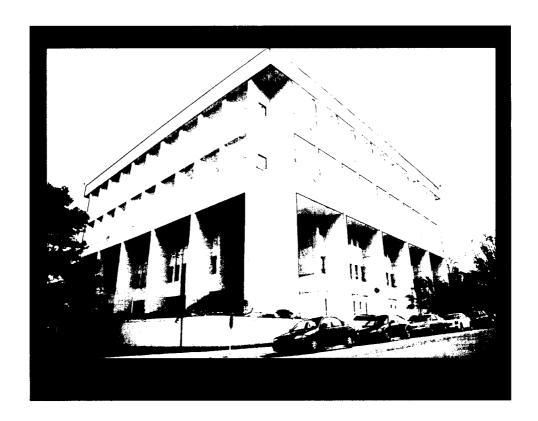
- Pursue design and construction of a new co-located SLPH and OCME facility to replace aging and inadequate facilities.
- \$101,000,000
- Based on Updated Feasibility Study 2004

## Letter of Support

- Carmen Hooker Odom, Secretary NC Dept. of Health and Human Services
- Bryan Beatty, Secretary NC Dept. of Crime Control and Public Safety
- Steve Troxler, Commissioner NC Dept. of Agriculture and Consumer Services
- Warwick Arden, Dean NCSU College of Veterinary Medicine

## NC State Lab of Public Health

- Bath Building designed/built early 70's
- Occupied 1973, included much of DPH
- 75% of Lab work manual; approx. 28% of current workload (1.6 M exams)
- Renovated 1988-89; approx. 95,000 sq.ft.
- Current HVAC inadequate-must keep labs neg. pressure to halls; electrical power unstable and completely inadequate; lack of building security (perimeter)



## State Lab Services

- Cancer Cytology (Pap tests)
- Microbiology (identifies pathogenic bacteria, viruses, parasites, foodborne pathogens)
- Newborn Screening/Clinical Chemistry
- Virology/Serology (including rabies)
- Environmental Sciences (includes drinking water testing; environmental contaminants)
- Laboratory Improvement (provides continuing education for labs across the state)

## Materials handled by State Lab

Hazardous biological materials that often contain pathogens such as viruses, bacteria, fungi:

- · Fecal and urine samples
- · Tissue samples
- · Blood samples
- Animal heads (rabies); insects & birds (arboviruses)

Hazardous chemicals

Low-level radioactive materials

Suspected bioterrorism samples (e.g., anthrax)

## NC SLPH

- 1,000,000 specimens/samples received each year
- Over 6,000,000 test results generated each year
- Train over 2000 laboratorians/HCP each year

## Office of Chief Medical Examiner

- Facility built in early 1970's
- Space inadequate autopsy, morgue, laboratory
- · Parking for transport vehicles inadequate
- · Access to building inadequate
- Cannot support Mass Fatality situation

## Office of the Chief Medical Examiner (continued)

- 1500 autopsies/year tripled since 1972
- Toxicology tests have doubled since 1999 (quadrupled since 1972) – conduct for all Mes
- · Space for Forensic records at capacity

## Limitations of today's State Public Health Lab

- Security
- Physical space
- Safety issues
- Electrical power
- Ventilation
- Efficiency

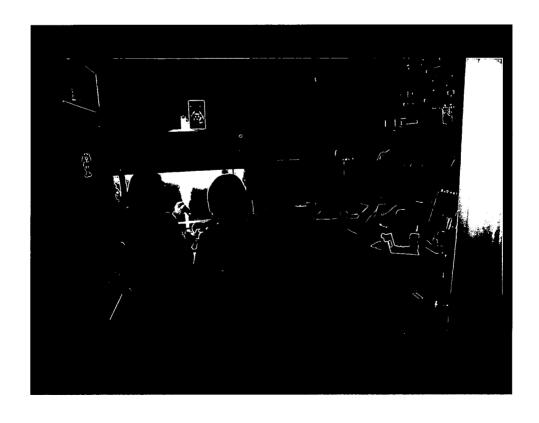
## Security

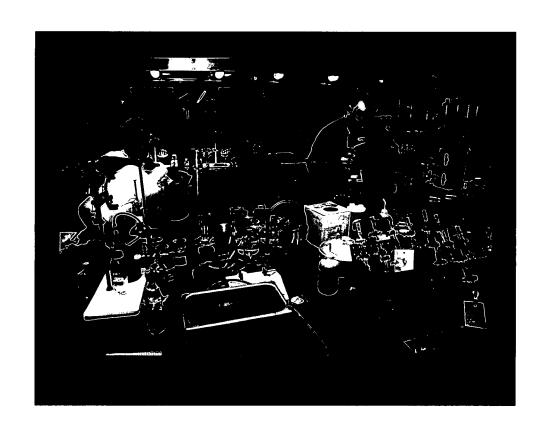
- The loading dock area under building is open; access is not controlled or limited—anyone can drive anything under the building.
- There is no controlled perimeter around the building and no security gate or controlled access.
- Movement through the building of materials/samples

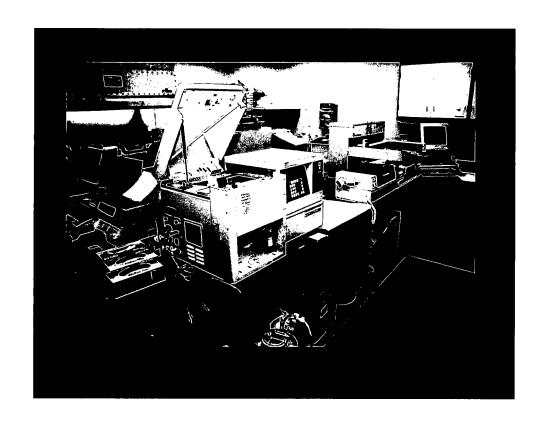
















## Safety issues

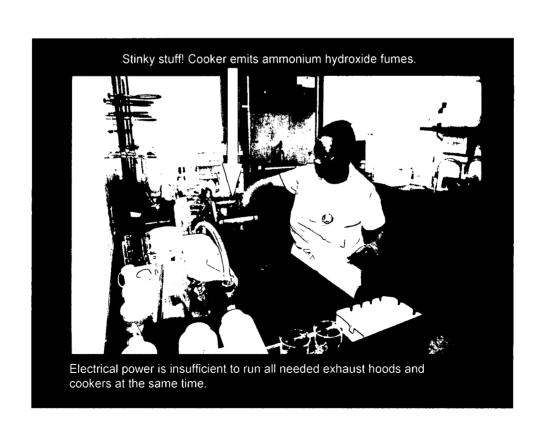
- · Labs lack windows to observe workers
- Emergency exiting is hazardous: convoluted floor plan; poor emergency lighting.
- Tight work areas, maze of small rooms, and narrow hallways crowded with supplies and equipment pose safety concerns.

## Safety issues, cont.

- Maze-like halls and strung-together rooms make emergency exits and equipment (including fire extinguishers) hard to spot.
- There are few easily accessed up-to-date eyewash stations or emergency showers in case of chemical or biohazard spills/splashes on lab workers.
- Elevators are unreliable.

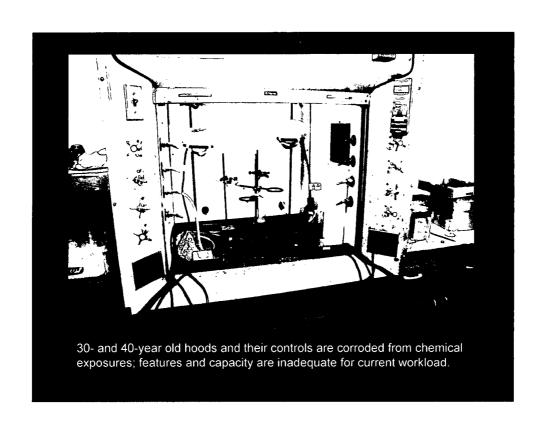
## Electrical power problems

- Electricity is insufficient and unreliable (power outages, surges, brownouts).
- Wiring is inadequate to support power needs.
- Emergency backup power sources are inadequate.
- Lighting is poor in most work areas.

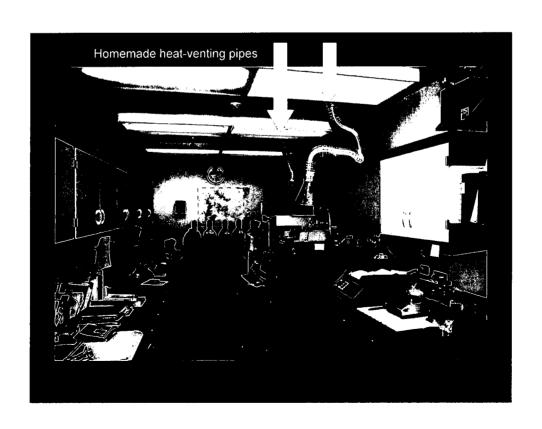


## Ventilation limitations

- Climate control system cannot maintain appropriate temperatures for high-tech equipment.
- Air-handling controls are inadequate.
   Many lab rooms cannot maintain negative air pressure relative to halls—a potential safety hazard (air should flow from halls into labs, not from labs into halls).







## Efficiency

- Testing procedures must be spread out over several rooms, as spaces are too small for the necessary equipment, supplies and staff.
- Support staff for labs are located on different floors.
- Power supplies are not sufficient to run all needed equipment at the same time.

## New PH Labs Constructed

#### Labs constructed in the past 8 years:

- Colorado (1997)
- Alaska (2000)
- Georgia (2000)
- California (2003)
- Virginia (2003)
- Texas (2003)
- Arizona (2004)

## New PH Labs in the Works

- · Ohio;
- Arkansas broke ground 2004;
- Minnesota- broke ground 2004;
- Missouri (estimated completion, Fall 2006);
- Oregon (2006);
- Indiana (estimated completion, November 2006);
- Illinois- central lab addition (Springfield);
- Florida Jacksonville;
- Connecticut 2009;
- · New Mexico;
- Georgia (Branch lab in Waycross)

## New PH Labs Under Discussion

- New Jersey
- lowa
- North Carolina
- Mississippi
- Louisiana (before and now after Katrina)

## New SLPH/OCME facility

- Feasibility study
  - (Paid with CDC BT Grant funds)
- RFP-2003; CUH2A selected (vast experience with other SLPH designs/constructions)
- On-site study April-July, 2004
- Approx. 127,000 sq. ft. for SLPH's existing and proposed needs; includes OCME

# NC Preparedness and Response Critical Infrastructure

Public Health Lab

Medical Examiners Office

Questions?

#### House Appropriations Subcommittee on Capital

#### **Minutes**

May 31, 2006, 12:00 p.m. Room 643 Legislative Office Building

#### Representative Thomas Wright, Presiding

The House Appropriations Subcommittee on Capital met on Wednesday, May 31, 2006 at 12:00 noon in Room 643 of the Legislative Office Building. The following members were in attendance: Chairman Thomas Wright, Reps. West, Adams, Barnhart, Cole, Haire, Hollo, Insko, Kiser, and Starnes. Jim Klinger, from fiscal research and Jamilah Sabir-Calloway, committee assistant were also present. A list of visitors in attendance and an agenda are attached and made part of these minutes.

Chairman Wright called the meeting to order and introduced the House Pages and Sgt-At-Arms as listed on the attached roster. The chairman stated that the Committee would hear several bills as listed on the agenda and called on the respective Representatives to speak on the bills as listed below.

#### HB1810 Elizabeth City/Pasquotank County Airport. (Rep. Owens)

This bill is about jobs. This bill provides funding to buy land to install an aviation, research and development commercial park. This project will be a consolidation of the university, private and public sectors. Elizabeth State University is the only university in the State that teaches aviation jobs.

Chairman Wright granted Rep. Owens' request to speak on the following bill (which is further down on the agenda.)

#### HB 2312 Tyrrell County Jail Funds. (Rep. Owens)

Tyrrell County is the smallest county in population in the State (less than 5,000.) They desperately need a jail. The request is for \$500,000 to help in that effort.

#### **HB1817** Fort Dobbs Reconstruction Funds. (Rep. Howard)

Fort Dobbs is celebrating their 250 anniversary this year, built in 1756 and served as a refuge for colonist and an outpost for soldiers during the French and Indian War. The fort was dismantled but most of the site is still in place. This bill would provide a \$100,000 planning grant to redesign the fort. It will be of tremendous economic impact for Iredell County in regard to travel and tourism. It is a State-owned site.

#### HB1916 Funds for Lake Junaluska Center. (Rep. Rapp)

This would be of significant economic impact to Haywood county. The #1 industry is tourism that brings in about \$100 million to the county annually. This bill would provide \$250,000 to help fund the Haywood County Tourist Welcome Center which also will serve as a welcome facility for the Lake Junaluska Lake and Retreat Center. The Chamber of Commerce will also have its offices there.

#### HB 1920 Pack Square Park Funds. (Rep. Goforth)

This bill will provide \$2 million to build a new park in the city of Asheville. It will be on 6.5 acres. Once this park is built, Asheville city is committed to take over the maintenance and preservation of the park.

#### HB2340 \$ Veterans Affairs Nursing Homes. (Rep. Goforth)

Copies of this bill were distributed and are attached and made part of these minutes. This bill is a general fund request for the Health and Human Svc. Department that will draw down about \$25 million. These funds shall be allocated to provide a Sate match for the construction of two 100-bed nursing homes to provide skilled care for the State's veterans; one in Asheville and the other in Kinston. These funds will match federal funds, 35% State funds, 65% federal funds.

HB1947 PMI/Charlotte Hawkins Brown Museum Funds. (Rep. Adams)
This bill would provide \$2.8 million in funds for repairs and renovations to the facilities and grounds at the Palmer Memorial Institute which was the oldest African-American college preparatory school in the United States before it closed. It is now owned by State of NC. The site is in Sedalia, NC and is the only African-American State Historic Site.

Chairman Wright ordered to strike HB1970 from the agenda per request from Rep. Williams. HB 1972 Wilkinson Community Center Funds. (Rep. Williams)

This bill will provide \$100,000 to complete the kitchen and paved parking lot for the Johan A. Wilkinson Building which is a multipurpose community center that serves the citizens of Belhaven, Greater Beaufort, and Hyde County.

#### HB 2016 NCSU Veterinary Hospital Funds. (Rep. Williams)

This bill will provide \$7 million for planning funds to construct a new NCSU Veterinary Hospital. This is the only veterinary college in the State and one of the highest ranked colleges of its kind in the country. The new hospital will be constructed adjacent to the current facility and will provide 115 square feet of clinical space and allow expansion of current hospital services for companion animals. Private donations totaling \$34 million have been raised. In response to a question from Rep. Insko, Rep. Williams stated that the total cost of the project is over \$68 million. The \$7 million appropriated in this bill would get things started and is a pre-requisite for keeping the \$34 million private money raised to date. Additional monies will be raised. Parker Overton, President of the NC State Veterinary School Foundation was recognized by the Chair. Mr. Overton stated that the late Randall B. Terry, Jr.' charitable foundation left \$20 million to NCSU and the new hospital will be named the Randall B. Terry Companion Animal Veterinary Medical Center at the University's College of Veterinary Medicine. The requested funds are needed for planning of the project.

#### HB 2029 "Strike at the Wind" Funds. (Rep. Sutton)

This bill will provide \$125,000 for renovations and upgrading of the Adolph L. Dial Amphitheater in Robeson County. The facility is approaching 20 years old. This is a State-owned facility.

**HB2253** North Carolina Transportation Museum Funds. (Rep. Coates) This bill would appropriate from the General Fund \$5 million for capital improvements to the Back Shop at the NC Transportation Museum. Rep. Steen asked for the Committee's support for this bill. These funds were in last year's budget but was eliminated at the Department level. In response to a question asked by Rep. Insko Rep. Cole stated that there has been a serious increase in the cost of transportation area. In the last three years there has been an increase of about 15% a year. At the same time there has been a reduction in funding; 2% loss relative to fuel taxes and 6% loss in fees and services. Currently the DOT is in a cash crunch right now. Rep. Insko suggested that it may be better to put this appropriation in the Cultural Resources budget since it is a visitor attraction. Rep. Starnes asked staff if there are other agencies or departments that have not spent money that they were directed to spend by the General Assembly. Jim Klinger stated that the appropriation is the maximum authority for the Governor to expend on a particular item. The Governor has tremendous flexibility in terms of the amount "up to" that can be spent on a particular item; even foregoing an item. For example in the budget crises that we have seen in the last three to four years the Governor has held back quite a bit of funds from a lot of different

appropriations that were authorized by the General Assembly. The Governor does not fund everything that the General Assembly appropriates funds for. That is a maximum authority level. Mr. Klingler stated that he would like at the Governor's budget act and report back to the Committee.

#### HB 2257 Catawba Valley Salt Block Funds. (Rep. Hollo)

This bill appropriates \$250,000 in matching funds to the Salt Block Foundation, Inc. for the renovation of the auditorium of the Arts and Science Center of Catawba Valley.

#### HB2275 Roanoke Rover Lighthouse Funds. (Rep. Spear)

This bill appropriates \$350,000 of funds to complete the acquisition relocation, and restoration of the Old Roanoke River Lighthouse. The lighthouse was constructed in the late 1930s and is now located in the Town of Edenton.

#### HB 2345 Western Piedmont Comm. Coll. Bldg. Funds. (Rep. Church)

Rep. Church stated that the appropriation requested in this bill is for \$200,000 not \$1 million as written in copy of bill before the Committee for the planning of the construction of the Foothills Allied Health and Science Higher Education Center operated by Western Piedmont Community College. Blue Ridge Health Care will invest \$100 million to expand its services. Over 200 jobs will be credited. The Chairman stated we will bring forward a PCS to change this bill to the appropriate amount requested (\$200,000.)

#### **HB1171** State Ports Authority Funds

A copy of this bill was distributed and is attached and made part of these minutes. The chair presented this bill on behalf of Reps. McComas, Preston & Wainwright. This is a biennial bill and appropriates funds for equipment and infrastructure needs at the state ports. The \$7.5 million is for fiscal year 2006-07.

Chairman Wright announced that there would be another meeting approximately one hour after session in room 544. The plan for the afternoon meeting was to get a presentation on the Senate Capital Appropriations Budget.

The meeting was adjourned.

Representative Thomas Wright, Chairman

Jamilah Sabir Calloway, Committee Assistant

### HOUSE APPROPRIATIONS SUBCOMMITTEE ON CAPITAL

#### ATTENDANCE SHEET

DATES	9	9	9						
	May 17, 2006	May 24, 2006	May 31, 2006						
Thomas Wright (Chairman)	X	X	X						
Howard Hunter (Vice-Chair)					-	·			
Roger West (Vice-Chair)	X	X	X						
Alma Adams	X		X						
Jeff Barnhart			X						 
Nelson Cole	X	X	X						
Phillip Haire	X	X	X						
Mark Hollo	X	X	X					ļ	
Verla Insko	X	X	X						
Joe Kiser	X	X	X						
Edgar Starnes			X						
Douglas Yongue									
Rep. Sherrill	X								
Rep. Ross	X								
Bill Owens									
Edd Nye									
Staff									
Jim Klingler	X	X	X						
Committee Assistant									
Jamilah Sabir-Calloway	X	X	X						

HOUSE APPROPRIATIONS	SUBCOMMITTEE	ON CAPITAL
HOOSE ALL KOLKIATION	BUDCOMMITTEE	OII CILITIE

MAY 31, 2006

Name of Committee

Date

NAME	FIRM OR AGENCY AND ADDRESS
Kathryn Sawyer	ACEZ/NC
DDP	nc 10
SAIM Robertis	Townlandor
· James Fuor	Alderman, Town of Land's
Joans Sten	71CNA
Trend Cranter	venA
David Harelos 99	Eglerel Gail GAd j'a.
Steve Straber	Paymer & Spruill
Les ley Cados	Spkrs Ob.

HOUSE APPROPRIATIONS SUBCOMMITTEE ON CAPITAL

MAY 31, 2006

Name of Committee

Date

NAME	FIRM OR AGENCY AND ADDRESS
Caroline Reinki	Action for Children
Tom Vilagliono	ACF
Mark Larrier	UNCW
Louis Baumbonia	ASU
DAND DUND	UNC CHARLOTTE
Charlie Smith	N.C. Veteron Offairs
Ras Nolan	UNC
Dobark Rana	WCPNA INCALHD
PATRICK HANNAH	Durthan CHAMEN.
Ked Yelvator	Depiton-Dufffeister
Capital Hopson	Covenant

HOUSE APPROPRIATIONS SUBCOMMITTEE ON CAPITAL

MAY 31, 2006

Name of Committee

Date

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HOUSE APPROPRIATIONS SUBCOMMITTEE ON CAPITAL

MAY 31, 2006

Name of Committee

**Date** 

NAME	FIRM OR AGENCY AND ADDRESS
Jennifer Wimmae	OSBM
Danielle Boroum	OSMB
ADAM BRUEGGEMANN	05 BM
Chris Harder	OSBM
JIM LORA	OSBM
Speris pleys	DOP
Shannon Blosser	Pop Center
Doug Lewis	DENR
Semiter Wear	Bill Drugting
LiBria Stephens	11
Jin McRayson	Dept of Cultural Resources

	VISITOR	REGISTR	<b>ATION</b>	<b>SHEET</b>
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HOUSE APPROPRIATIONS SUBCOMMITTEE ON CAPITAL

MAY 31, 2006

Name of Committee

Date

NAME	FIRM OR AGENCY AND ADDRESS
Jonathan Smith	SAS Institute
Greg Piner	DCR
Donna Rosefield	·)
Treamy Acrost	Npc/
Vicaina yop	MC Y H
H.D. Cornelius	NCSUCUM
D'anne Recoley	DENR- Fountry
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## Houșe Pages

Appropriations Capital	5-31-06
Name Of Committee: Daie:	3 3/-04
1. Name: Marli Bennett	
County: SURY	
Sponsor: Harrell	
2. Name: Brandon Ring	•
County: Stokes	
Sponsor: Rea Holloward	· 
3. Name: <u>Jessica Anderson</u>	***************************************
County: Calduall	
Sponsor: Folger Starnes.	
4. Name: Alisha Byrd	
County: Wilkes	·
Sponsor: Tracy Walker	•
5. Name: Wendy Romine	·····
County: Carteret	
Sponsor: Preston	
Sgt-At-Arms	
1. Name: Charles Williams	-
2. Name: FRED LINES	
3. Name: Dusay Rhudes	
4. Name: MARK CONE	,
5. Name: DUSTY Phodes	·
Will HEATH.	

#### House Appropriations Subcommittee on Capital May 31, 2006, 12:00 p.m. Room 643 Legislative Office Building Representative Thomas Wright, Presiding

### **AGENDA**

- 1. Opening Remarks, Chairman Wright
- 2. Issues in the following bills will be discussed:
  - HB 1810 Elizabeth City/Pasquotank County Airport. (Rep. Owens)
  - HB 1817 For Dobbs Reconstruction Funds. (Reps. Howard, Ray)
  - HB1 916 Funds for Lake Junaluska Center. (Reps. Rapp, Haire)
  - HB 1920 Pack Square Park Funds. (Reps. Sherrill, Goforth)
  - HB 1947 PMI/Charlotte Hawkins Brown Museum Funds.(Reps. Adams, Harrison, Jeffus)
  - HB 1970 Bath Community Library Funds. (Rep. Williams)
  - HB 1972 Wilkinson Community Center Funds. (Rep. Williams)
  - HB 2029 "Strike at the Wind" Funds. (Reps. Sutton, Yongue, and Pierce)
  - HB 2253 North Carolina Transportation Museum Funds. (Reps. Coates, Steen)
  - HB 2257 Catawba Valley Salt Block Funds. (Reps. Hollo, Hilton, Setzer)
  - HB 2275 Roanoke Rover Lighthouse Funds. (Reps. Spear)
  - HB 2283 Museum of the Cape Fear Funds. (Reps. Dickson, Glazier, Lucas, McAllister)
  - HB 2312 Tyrrell County Jail Funds. (Reps. Owens)
  - HB 2318 Senator Bob Martin Eastern Ag. Ctr. Funds. (Reps. Warren)
  - HB 2345 Western Piedmont Comm. Coll. Bldg. Funds. (Reps. Church)
  - HB 2016 NCSU Veterinary Hospital Funds. (Reps. Williams, Brubaker, Gibson, McLawhorn)
- 3. Adjourn

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# **HOUSE BILL 1916**

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Short Title: Funds for Lake Junaluska Center.		
Sponsors:	Representatives Rapp and Haire (Primary Sponsors).	
Referred to:	Appropriations.	

	May 15, 2006
1	A BILL TO BE ENTITLED
2	AN ACT TO PROVIDE FUNDS FOR A VISITOR AND WELCOME CENTER IN
3	HAYWOOD COUNTY AT LAKE JUNALUSKA.
4	The General Assembly of North Carolina enacts:
5	SECTION 1. There is appropriated from the General Fund to Haywood
5	County the sum of two hundred fifty thousand dollars (\$250,000) for the 2006-2007
7	fiscal year for the construction of a visitor and welcome center at Lake Junaluska.
8	SECTION 2. This act becomes effective July 1, 2006.

# GENERAL ASSEMBLY OF NORTH CAROLINA SESSION 2005

# H

# **HOUSE BILL 1920**

Short Title:	Pack Square Park Funds.	(Public)
Sponsors:	Representatives Sherrill, Goforth (Primary Sponsors); and Fisher.	
Referred to:	Appropriations.	

# May 15, 2006

# A BILL TO BE ENTITLED

AN ACT TO APPROPRIATE FUNDS FOR PACK SQUARE PARK IN BUNCOMBE COUNTY.

Whereas, Buncombe County, the City of Asheville, and the Pack Square Conservancy, a nonprofit organization, have partnered to establish a new park in the City of Asheville; and

Whereas, the Pack Square Park has been in the making for over five years, with Buncombe County committing \$2,000,000 to the project and the Conservancy committing \$16,500,000 to the project; and

Whereas, once the park is constructed, maintenance will be handled by the Asheville Parks and Recreation Department; and

Whereas, the 6.5 acre park will have large open areas with landscaping, benches and walkways, an amphitheater fronting an outdoor performance stage, picnic facilities, and a visitor pavilion with amenities and multipurpose space; and

Whereas, Pack Square Park will not only enhance the beauty of the community but also increase recreational activity and social interaction of local citizens and tourists, provide new cultural opportunities, and improve the quality of life for area citizens; Now, therefore,

The General Assembly of North Carolina enacts:

**SECTION 1.** There is appropriated from the General Fund to Buncombe County the sum of five hundred thousand dollars (\$500,000) for the 2006-2007 fiscal year to support the Pack Square Park, a new park that will be constructed in the City of Asheville and will serve as a tourist destination for area residents and visitors.

Passen Out

# GENERAL ASSEMBLY OF NORTH CAROLINA SESSION 2005

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# **HOUSE BILL 2340\***

Short Title: \$ Veterans Affairs Nursing Homes. (Public)

Sponsors: Representatives Goforth; Faison, Fisher, Luebke, Pate, and Weiss.

Referred to: Appropriations.

# May 23, 2006

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# A BILL TO BE ENTITLED

AN ACT TO APPROPRIATE MATCHING FUNDS FOR THE CONSTRUCTION OF VETERANS NURSING HOMES IN ASHEVILLE AND KINSTON.

The General Assembly of North Carolina enacts:

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SECTION 1. There is appropriated from the General Fund to the Department of Health and Human Services the sum of eight million seven hundred seventy-three thousand three hundred dollars (\$8,773,300) for the 2006-2007 fiscal year. These funds shall be allocated to provide a State match for the construction of two 100-bed nursing homes to provide skilled care for the State's veterans. The nursing homes will be constructed, one in Asheville and the other in Kinston. These funds will match federal funds, thirty-five percent (35%) State funds, sixty-five percent (65%)

12 federal funds.

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# **HOUSE BILL 1947\***

Short Title: PMI/Charlotte Hawkins Brown Museum/Funds. (Public) Representatives Adams, Harrison, Jeffus (Primary Sponsors); Alexander, Sponsors: Luebke, Martin, Parmon, Wainwright, and Womble. Referred to: Appropriations. May 15, 2006 A BILL TO BE ENTITLED AN ACT APPROPRIATING FUNDS FOR REPAIRS AND RENOVATIONS OF FACILITIES ON THE GROUNDS OF THE PALMER MEMORIAL INSTITUTE STATE HISTORIC SITE. The General Assembly of North Carolina enacts: There is appropriated from the General Fund to the SECTION 1. Department of Cultural Resources the sum of two million eight hundred dollars (\$2,800,000) for the 2006-2007 fiscal year for repairs and renovations of facilities located on the grounds of the Palmer Memorial Institute State Historic Site. These funds shall be allocated as follows:  $\cdot$ (1) \$1,400,000 to renovate Kimball Hall for use as a multipurpose center and special exhibition facility. \$800,000 to upgrade the Charlotte Hawkins Brown Museum (2) and the Carrie M. Stone Teachers' Cottage, which houses the site's visitors' center. \$600,000 to renovate the Massachusetts Congregational (3) Women's House, which served as the Institute's economics practice house.

**SECTION 2.** This act becomes effective July 1, 2006.

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# **HOUSE BILL 1972**

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Short Title:	Wilkinson Community Center Funds.	(Public)
Sponsors:	Representative Williams.	
Referred to:	Appropriations.	

# May 16, 2006

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# A BILL TO BE ENTITLED

3 4 AN ACT TO APPROPRIATE FUNDS FOR THE RESTORATION OF WILKINSON CENTER IN BEAUFORT COUNTY.

5 6 Whereas, Hurricane Floyd caused significant damage to several schools in Beaufort County, including the former high school in Belhaven, which was condemned due to residual mold; and

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Whereas, a group of citizens formed a nonprofit organization, the Friends of The John A. Wilkinson Building, Inc., to salvage a portion of the former Belhaven High School building; and

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Whereas, for five years, this organization has raised funds to restore the building for use as a multipurpose community center, which currently houses an auditorium for cultural and community activities, classrooms for the Beaufort County Community College, and a wing used as a fitness and wellness center; and

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Whereas, in order to fully restore the building, funds are needed to complete the unfinished kitchen, pave the parking lot, and purchase and install lights; Now, therefore,

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The General Assembly of North Carolina enacts:

18 19 20 SECTION 1. There is appropriated from the General Fund to the Friends of The John A. Wilkinson Building, Inc., a nonprofit organization, the sum of one hundred thousand dollars (\$100,000) for the 2006-2007 fiscal year for the restoration of the Wilkinson Center, which serves the citizens of the Belhaven, Greater Beaufort, and Hyde County area as a multipurpose community center.

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# **HOUSE BILL 2016**

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Short Title: NCSU Veterinary Hospital Funds. (Public) Representatives Williams, Brubaker, Gibson, McLawhorn Sponsors: Sponsors); Carney, Dickson, Glazier, Lewis, and Warren. Referred to: Appropriations. May 17, 2006

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# A BILL TO BE ENTITLED

AN ACT TO APPROPRIATE FUNDS TO PLAN A NEW VETERINARY HOSPITAL AT NORTH CAROLINA STATE UNIVERSITY.

Whereas, the North Carolina State University College of Veterinary Medicine is the only veterinary college in the State and one of the highest ranked colleges of its kind in the country; and

Whereas, the College's current 55,000 square foot Veterinary Teaching Hospital opened in 1983 and was designed to accommodate a maximum of 12,000 animal accessions; and

Whereas, plans have been made to construct a new hospital adjacent to the current facility, which will provide 115,000 square feet of clinical space and allow expansion of current hospital services for companion animals; and

Whereas, the new hospital will be named for the late Randall B. Terry, Jr., whose Charitable Foundation gave North Carolina State University \$20,000,000 during the University's \$1 billion Achieve! Campaign in 2005; and

Whereas, private donations totaling \$34,000,000 have been raised for the construction of the new hospital; and

Whereas, State funds are needed to plan the new hospital; Now, therefore, The General Assembly of North Carolina enacts:

**SECTION 1.** There is appropriated from the General Fund to the Board of Governors of The University of North Carolina the sum of seven million dollars (\$7,000,000) for the 2006-2007 fiscal year to be allocated to North Carolina State University for use in planning the Randall B. Terry Companion Animal Veterinary Medical Center at the University's College of Veterinary Medicine.

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"Strike at the Wind."

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# **HOUSE BILL 2029**

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Short Title: "Strike at the Wind" Funds. (Public)

Sponsors: Representatives Sutton, Yongue, and Pierce (Primary Sponsors).

Referred to: Appropriations.

# May 17, 2006

A BILL TO BE ENTITLED

AN ACT TO APPROPRIATE FUNDS FOR THE "STRIKE AT THE WIND"

OUTDOOR DRAMA.

The General Assembly of North Carolina enacts:

SECTION 1. There is appropriated from the General Fund to Robeson Historical Drama, Inc., the sum of one hundred twenty-five thousand dollars (\$125,000) for the 2006-2007 fiscal year to provide new flooring, paint, carpentry, drywall repair,

roof repair, restroom construction and repair, and other necessary improvements to the Adolph L. Dial Amphitheater in Robeson County, the home of the outdoor drama

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# **HOUSE BILL 2253**

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Short Title:	North Carolina Transportation Museum Funds. (Public)
Sponsors:	Representatives Coates, Steen (Primary Sponsors); Hackney, Harrison, Howard, Insko, Johnson, Luebke, Rapp, Saunders, and Underhill.
Referred to:	Appropriations.
	May 22, 2006
	A DILL TO DE ENTITE ED

A BILL TO BE ENTITLED

AN ACT TO APPROPRIATE FUNDS FOR CAPITAL IMPROVEMENTS AT THE NORTH CAROLINA TRANSPORTATION MUSEUM.

The General Assembly of North Carolina enacts:

**SECTION 1.** There is appropriated from the General Fund to the North Carolina Museum of Transportation Foundation, a nonprofit organization, the sum of five million dollars (\$5,000,000) for the 2006-2007 fiscal year for capital improvements to the Back Shop at the North Carolina Transportation Museum.

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# **HOUSE BILL 2257**

Short Title: Catawba Valley Salt Block Funds. (Public)

Sponsors: Representatives Hollo, Hilton, and Setzer (Primary Sponsors).

Referred to: Appropriations.

May 22, 2006

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10 11 A BILL TO BE ENTITLED

AN ACT TO APPROPRIATE FUNDS TO THE SALT BLOCK FOUNDATION, INC., FOR THE RENOVATION OF THE AUDITORIUM OF THE ARTS AND SCIENCE CENTER OF CATAWBA VALLEY.

The General Assembly of North Carolina enacts:

**SECTION 1.** There is appropriated from the General Fund to the Salt Block Foundation, Inc., a nonprofit corporation, the sum of two hundred fifty thousand dollars (\$250,000) for the 2006-2007 fiscal year to renovate the Arts and Science Center of Catawba Valley auditorium, provided these funds are matched on the basis of one dollar (\$1.00) of non-State funds for every one dollar (\$1.00) of State funds.

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# **HOUSE BILL 2275**

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Short Title: Roanoke River Lighthouse Funds. (Public)

Sponsors: Representative Spear.

Referred to: Appropriations.

May 22, 2006

A BILL TO BE ENTITLED

AN ACT TO APPROPRIATE FUNDS TO COMPLETE THE ACQUISITION, RELOCATION, AND RESTORATION OF THE OLD ROANOKE RIVER LIGHTHOUSE.

The General Assembly of North Carolina enacts:

**SECTION 1.** There is appropriated from the General Fund to the Edenton Historical Commission the sum of three hundred fifty thousand dollars (\$350,000) for the 2005-2006 fiscal year to complete the acquisition, relocation, and restoration of the old Roanoke River Lighthouse now located in the Town of Edenton.

**SECTION 2.** This act becomes effective July 1, 2006.

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# **HOUSE BILL 2345**

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Short Title:	Western Piedmont Comm. Coll. Bldg. Funds.	(Public)
Sponsors:	Representatives Church; and Gillespie.	
Referred to:	Appropriations.	

May 23, 2006

A BILL TO BE ENTITLED

AN ACT TO APPROPRIATE FUNDS FOR THE CONSTRUCTION OF THE FOOTHILLS ALLIED HEALTH AND SCIENCE HIGHER EDUCATION CENTER OPERATED BY WESTERN PIEDMONT COMMUNITY COLLEGE.

The General Assembly of North Carolina enacts:

**SECTION 1.** There is appropriated from the General Fund to the Community Colleges System Office the sum of one million dollars (\$1,000,000) for the 2006-2007 fiscal year to plan and construct the Foothills Allied Health and Science Higher Education Center operated by Western Piedmont Community College.

**SECTION 2.** This act-becomes effective July 1, 2006.

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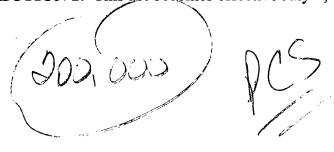
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H HOUSE BILL 1171\*

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Short Title:	State Ports Authority Funds.	(Public)
Sponsors:	Representatives McComas; Preston and Wainwright.	
Referred to:	Appropriations.	

# April 11, 2005

A BILL TO BE ENTITLED 1 2 AN **ACT** TO **APPROPRIATE FUNDS** FOR **EQUIPMENT** AND 3 INFRASTRUCTURE NEEDS AT THE STATE PORTS. 4 The General Assembly of North Carolina enacts: SECTION 1. There is appropriated from the General Fund to the North 5 Carolina State Ports Authority the sum of nine million dollars (\$9,000,000) for the 6 2005-2006 fiscal year and the sum of seven million five hundred thousand dollars 7 (\$7,500,000) for the 2006-2007 fiscal years for equipment and infrastructure needs at 8 the State ports. 9





# NC State Ports Authority FY 06-07 Capital Appropriations Request \$7.5 Million

Selected Critical Capital Improvement Projects for Appropriations Request

	M tolog	Selected Critical Capital Improvement Projects for Appropriations Request		EV 06 07 Coot
	24 154	S. S	Froject Cost	FT UP-U/ COST
<b>-</b>	New Container Cranes (4) – consistent with the NC State Ports Authority Master Capital Development and Strategic Plans	<ul> <li>Additional container cranes are required for ongoing port expansion program to meet forecast growth in international trade and to increase statewide jobs and tax revenues.</li> <li>Revenues from container operations at the Port of Wilmington accounted for 19% of the NC State Ports Authority's total revenue, or \$ 6.6 million in Fiscal Year 2005.</li> <li>Activities by one container shipping company alone contribute to over 20,000 jobs statewide and nearly \$1.5 million in annual tax revenues.</li> </ul>	\$33,244,000	\$26,596,000
5	Radio Island Port Development – includes construction of three 100,000 square foot warehouses, 31 acres of open storage, and two 1,000-foot berths as per the approved Environmental Impact Study	<ul> <li>This project is necessary to meet the growth needs of existing customers as well as forecast new business.</li> <li>Based on projected cargo volumes at the new Radio Island port, an additional 1,000 jobs and \$6.3 million in annual state and local tax revenues will result from this project.</li> </ul>	\$7,287,590	\$3,500,000
က	Crane Rail Extension – includes construction of a 32-foot gauge crane rail for general cargo ship operations, and construction of a new 50-foot gauge crane rail for container ship operations	<ul> <li>This project will extend the life and improve utility of the existing facility by increasing berth space for cargo operations and providing more efficient crane operations.</li> <li>This will ensure both container and general cargo growth and capacity goals can be met.</li> </ul>	\$4,072,706	\$1,757,120
4	Terminal Operating System (TOS) – hardware and software toolset that will provide improved yard planning, management and cargo tracking capabilities	<ul> <li>Today's shipping industry requires sophisticated information management capabilities to achieve industry standard service levels.</li> <li>This project will enhance utilization of manpower, berths, stacking areas, and equipment and allow greater cargo volumes to move through the ports, and therefore increase economic benefits to the State.</li> </ul>	\$2,038,306	\$1,000,000
က	Berth 8-9 Improvements – provides new fenders and hardware needed for larger vessels using the new 42' channel	<ul> <li>This project is needed in order for larger container ships to be safely worked and to protect the Port Authority's \$17.5 million berth infrastructure investment.</li> </ul>	\$3,735,785	\$3,314,759
		TOTAL PROJECT COST	\$50,378,387	\$36,167,879

Last Updated: 5/9/2006

\$7,500,000 \$28,667,879

APPROPRIATION REQUESTED

PORT FUNDED

North Carolina State Ports

**NC Northeastern Region** 

**Customer Name GKN Automotove** QVC

Thorpe and Ricks LG Sourcing (Lowe's)

Household Goods, Furniture

Equipment, Machinery

**NC Location** Whitakers **Rocky Mount** Rocky Mount

N. Wilkesboro, Olin, Garysburg

County

Edgecombe Edgecombe & Nash Edgecombe & Nash

Wilkes, Iredell, Northampton

**NC Eastern Region** 

**Customer Name** Carolina Ocean Lines Sea Striker Suncoast of America TMX Shipping US Navy

Baillie Lumber Carolina By Products House of Raeford

Harvey Price Cotton Moen Incorporated Rose Brothers Furniture Austin Tobacco

**Excell Home Fashions** James Miller Tobacco Co Standard Commercial Tobacco **United Tobacco** 

Universal Leaf Tobacco

Commodity Lumber

Commodity

Lumber

Freight All Kinds

Sporting Goods Household Goods Lumber General Military

Lumber Animal Feed, Frozen Meat, Seafood

Frozen Poultry Cotton Plumbing Furniture Tobacco

Equipment, Machinery Household Goods, Furniture Tobacco Tobacco

Tobacco Tobacco **NC Location** Morehead City Morehead City Morehead City Morehead City Morehead City Cove City

Fayetteville, Rose Hill, Wadesboro Rose Hill

Kinston Kinston Jacksonville Farmville Greenville Goldsboro Wilson Wilson Wilson Wilson

County Carteret Carteret Carteret Carteret Carteret Craven

Cumberland, Duplin, Anson

Duplin Lenoir Lenoir Onslow Pitt Pitt Wayne Wilson Wilson Wilson Wilson

NC's Southeast

Nacco Materials

**Customer Name** Altex Corporation American Crane Corp

American Crane Corp Aloha Houseware

Commodity

Equipment, Machinery Equipment, Machinery

Appliances

Yarn

**NC Location** 

Wilmington Wilmington Clinton

County

County

Bladen

New Hanover New Hanover New Hanover Sampson

**NC's Southeast** 

**Customer Name** Penny Newman Grain Co Smithfield Packing Leather Italia

Military Ocean Terminal Cox Discount Furniture International Paper Maidenform Inc

Carolina By Products **Boke Trading** Campbell Sales Group

Cape Craftsmen, Inc.

Don O Tickle

Down Island Enterprises Elementis Chromium Faith Group

The Hipage Company Invista

Olam America Intl Royal Saudi Air Defense Royal Saudi Army Royal Saudi Navy Tri Vista Designs

Intercontinental Hardwoods LL Building Products Mountaire Farms

Commodity Cotton Frozen Meats, Seafood **Furniture** 

General Military **Furniture** Woodpulp, Lumber, Paper

Textiles, Apparel Animal Feed, Frozen Meat, Seafood

General Articles Furniture

Household Goods, Furniture

Household Goods Household Goods Chemicals

**Plastics** Freight All Kinds

Chemcals, Synthetic Resin

Cotton

General Military General Military General Military Household Goods

Lumber Equipment, Machinery Frozen Meats, Seafood Wilmington

**NC Location** Clarkton Tarheel Leland Southport Whiteville Riegelwood

Fayetteville Fayetteville, Rose Hill, Wadesboro

Wilmington Wilmington Wilmington Wilmington Wilmington Castle Hayne Wilmington

Charlotte, Wilmington

Wilmington Wilmington Wilmington Wilmington Wilmington Wilmington Currie Burgaw Lumber Bridge Bladen Brunswick Brunswick Columbus Columbus Cumberland

Cumberland, Duplin, Anson

New Hanover **New Hanover New Hanover New Hanover** New Hanover **New Hanover New Hanover** 

Mecklenburg, New Hanover

**New Hanover** New Hanover **New Hanover** New Hanover **New Hanover New Hanover** Pender Pender Robeson

Research Triangle Regional Partnership

**Customer Name** Hart Furniture Amgad Nassar Corning Inc

Commodity Furniture Boats, Life Rafts Clay, Feldspar Home Comfort Distribution **Furniture** Stansbury Burke Household Goods **NC Location** Siler City Durham Durham Durham Charlotte, Durham

County Chatham Durham Durham Durham

Mecklenburg, Durham

Georgia Pacific Universal Leaf Tobacco Powell and Powell Supply Co **Direct Distributors** Jerry G Williams and Sons Roberts Wholesale Body Parts Woodard Forest and Imports Honeywell Performance Fibers Goldkist Kolcraft Enterprises Variety Wholesalers AG Raymond **Bob Barker Company** Cooper Hand Tools Cooper Industries **DBA Auto Parts** Frontier Auto Body Supply **OH Distributors** JB International Powell and Powell Shine Auto Sales

Lumber Tobacco Equipment, Machinery **Sporting Goods** Lumber Equipment, Machinery Lumber Yarn Household Goods Freight All Kinds Household Goods Footweat, Apparel

Frozen Meats, Seafood Equipment, Machinery Equipment, Machinery Equipment, Machinery Equipment, Machinery Equipment, Machinery Frozen Meats, Seafood Equipment, Machinery Vehicle, Tractors, Buses Metal Scrap

Granville Butner Granville Oxford Harnett Lillington Selma Johnston Smithfield Johnston Johnston Clayton Smithfield Johnston Sanford Lee

Lee, Chatham Sanford, Siler City Aberdeen Moore Henderson, Raleigh Vance, Wake Raleigh Wake Fuquay-Varina Wake Wake Apex Wake Apex Raleigh Wake Wake Raleigh Raleigh Wake Wake Raleigh Fuguay-Varina Wake Greensboro, Raleigh Guilford, Wake

Charlotte, Raleigh, Statesville Mecklenburg, Wake, Iredell

County '

#### **Piedmont Triad Partnership Customer Name**

Sinai International

Gem and Company Ardlev Hall Giorgio Gori Gorimar JE Jones **Encore Express** Jerry Johnson Motors Adams Pierce Furniture Co Bernards **BGF Industries BGF Industries** Danzas De Coro Ltd **Dimon International** DLH Nordisk, Inc. Dongbu USA **Drexel Heritage Furnishings** E.N. Beard Lumber **Emeral Home Furnishings** Hannamint Corporation ICP Intl Itochu Building Products Kilop USA King Textiles Konica Minolta Bernards Inc Collezione Europa USA JDI Group Inc Klaussner Furniture

Commodity Yarn **Furniture** Lumber Lumber Lumber Household Goods Equipment, Machinery Furniture **Furniture** Glass **Bobbins** Yarn **Eurniture** Tobacco Construction and Building Equipment Steel **Furniture** Lumber **Furniture Furniture Furniture** Bolts, Nuts, Screws Fiber, Yarn Furniture Film. Photo Material Furniture, Furniture Parts Furniture **Furniture** 

Lexington Lexington Winston Salem Winston Salem High Point High Point Greensboro Greensboro Greensboro, Charlotte High Point Greensboro Greensboro Greensboro Drexel, Morganton, High Point Greensboro High Point Greensboro Greensboro Greensboro Greensboro High Point Whitsett Archdale Liberty Asheboro Asheboro

**NC Location** 

Burlington

Lexington

Thomasville

Alamance Davidson Davidson Davidson Davidson Forsyth Forsyth Guilford Guilford Guilford Guilford Guilford, Mecklenburg Guilford Guilford Guilford Guilford Burke, Guilford Guilford Guilford Guilford Guilford Guilford Guilford Guilford Guilford Randolph Randolph Randolph Randolph

#### **Piedmont Triad Partnership**

**Customer Name** Lexington Furniture Industries **PPG Industries** Prime Lumber Company Thomasville Furniture Whitewood Industries Parrish Tire **RJ** Reynolds The Dize Company Leather Direct Legacy Classic Furniture Lifestyle Enterprise Maitland-Smith Manchester Furniture

Commodity Furniture Ore, Mica, Schist Lumber Furniture **Furniture** Tires, Rubber Tobacco Construction and Building Equipment Furniture **Furniture Furniture Furniture** 

**Furniture** 

**Furniture** 

**NC Location** Lexington Lexington Thomasville Thomasville Thomasville Winston Salem Winston Salem Winston Salem High Point Whitsett High Point High Point High Point, Lexington

County Davidson Davidson Davidson Davidson Davidson Forsyth Forsyth Forsyth Guilford Guilford Guilford Guilford

Guilford, Davidson

Guilford Mickey Truck Bodies, Inc. Vehicle, Tractors, Buses High Point Household Goods, Furniture Greensboro Guilford Mumbo Jumbo Piedmont Chemical Chemicals **High Point** Guilford High Point Guilford Preferred Furniture Components **Furniture Bath and Beauty Products** Greensboro Guilford Procter and Gamble Guilford High Point Rockford Furniture **Furniture** Guilford, Wake **Shine Auto Sales** Vehicle, Tractors, Buses Greensboro, Raleigh South Asia Furniture **Furniture** Greensboro Guilford South Sea Rattan **Furniture** Greensboro Guilford Guilford Universal Furniture Industries **Furniture** High Point **Furniture** Reidsville Rockingham Lloyd Buxton

### **Charlotte Regional Partnership**

**Customer Name** Commodity **NC Location** County **Broyhill Furniture Furniture** Rutherfordton, Lenoir, Conover Rutherford, Caldwell, Catawba Fayetteville, Rose Hill, Wadesboro Cumberland, Duplin, Anson Animal Feed, Frozen Meat, Seafood Carolina By Products Cabarrus Minka Lighting Lighting Concord Catawba **Furniture** Conover Acacia Furniture Bassett **Furniture** Newton Catawba Laneventure **Furniture** Conover Catawba Northeast Consolidated Inc. Lumber Conover, Hickory Catawba Claremont Catawba Progressive Furniture **Furniture** Catawba Regency House **Furniture** Hickory Shoal Creek Log and Lumber Hickory Catawba Lumber Vangard Furniture **Furniture** Conover Catawba Canton, Monroe, Lenoir Haywood, Union, Caldwell **CK International** Lumber Alcan Composites Lumber, Paper, Synthetic Resin Statesville Iredell Statesville Iredell Golden Goose **Furniture** LG Sourcing (Lowe's) Household Goods, Furniture N. Wilkesboro, Olin, Garysburg Wilkes, Iredell, Northampton Mecklenburg Charlotte Allenberg Cotton Co Cotton Ansell Healthcare Products Medical Supplies Charlotte Mecklenburg Mecklenburg General Articles, Household Goods Charlotte Aplix Ashland Distributors **Furniture** Charlotte Mecklenburg Leather, Apparel Mecklenburg Barthco International Charlotte Cheng Shin Rubber USA Tires, Rubber Charlotte Mecklenburg Mecklenburg Circle International **Textile Products** Charlotte Consolidated Textiles **Textile Products** Charlotte Mecklenburg Guilford, Mecklenburg Yarn Greensboro, Charlotte Danzas Highland Mills **Textile Products** Charlotte Mecklenburg Freight All Kinds Charlotte, Wilmington Mecklenburg, New Hanover The Hipage Company Kuehne and Nagel General Articles Charlotte Mecklenburg Freight All Kinds Charlotte Mecklenburg Kuehne and Nagel Construction and Building Equip. Mecklenburg LTL Home Products Charlotte Mecklenburg Panalpina Freight All Kinds Charlotte Chemicals Charlotte Mecklenburg Panapina Rooms to Go **Furniture** Charlotte Mecklenburg Charlotte Mecklenburg Royal Processing Yarn Mecklenburg, Durham Stansbury Burke Household Goods Charlotte, Durham Mecklenburg Stein Fibers Fiber, Yarn Charlotte Mecklenburg Stevens Product **Furniture** Matthews Mecklenburg Stewart Fasteners Bolts, Nuts, Screws Charlotte Mecklenburg **Tower Group International** Bolts, Nuts, Screws Charlotte Mecklenburg **US World Foods** Frozen Meats, Seafood Charlotte Metal Scrap Charlotte, Raleigh, Statesville Mecklenburg, Wake, Iredell Sinai International

## **Advantage West**

Stansbury Burke

**CK International** 

Goulston

APA International Corp

Commodity County **Customer Name NC Location** Burke Henredon Furniture **Furniture** Morganton Burke,Guilford Furniture Drexel, Morganton, High Point **Drexel Heritage Furnishings** Johnson International Lumber Lenoir Caldwell Haywood Blue Ridge Paper Products Paper Canton Pacific Millenium Lumber, Fiberboard Canton, Lenoir Haywood, Caldwell Canton, Monroe, Lenoir Haywood, Union, Caldwell **CK** International Lumber **Broyhill Furniture Furniture** Rutherfordton, Lenoir, Conover Rutherford, Caldwell, Catawba Frozen Meats, Seafood Wilkesboro Wilkes Tyson Food Inc LG Sourcing (Lowe's) Household Goods, Furniture N. Wilkesboro, Olin, Garysburg Wilkes, Iredell, Northampton

Household Goods

**General Articles** 

**Furniture** 

Lumber

Charlotte, Durham

Canton, Monroe, Lenoir

Richfield

Monroe

Mecklenburg, Durham

Haywood, Union, Caldwell

Stanly

Union

# House Appropriations Subcommittee on Capital

#### Minutes

# May 31, 2006, 4pm Room 643 Legislative Office Building

# Representative Thomas Wright, Presiding

The House Appropriations Subcommittee on Capital met on Wednesday, May 31, 2006 at 4 pm in Room 643 of the Legislative Office Building. The following members were in attendance: Chairman Thomas Wright, Reps. Cole, Haire, Hollo, Insko, Kiser, and Starnes. Jim Klinger, from fiscal research and Jamilah Sabir-Calloway, committee assistant were also present. A list of visitors in attendance and an agenda are attached and made part of these minutes.

Chairman Wright called the meeting to order and introduced the House Pages and Sgt-At-Arms as listed on the attached roster. Chairman Wright called on Jim Klingler to present the Senate Capital Appropriation budget to the Committee. He mentioned that he would also present an response to questions raised by Rep. Cole and Starnes.

Mr. Klingler directed the Committee's attention to the handouts (attached and made part of these minutes.) The first one was entitled Capital Section M, the capital section of the Senate's money report, the second document is an excerpt from the Senate Bill, Part XXIII. Capital Appropriations (pages 158-166.) He stated that the Senate appropriated \$253,321,361in general fund appropriations, nonrecurring for capital. This is in comparison to \$329.5 million that the Governor recommended in general funds appropriation for capital. Mr. Klingler then presented the following items with their respective general fund allocations from the Senate's money report.

Department of Agriculture and Consumer Services Rollins Laboratory – Bio Security Level 2 Conversion.

\$25,000

Upgrades an existing Chemistry lab to handle more dangerous infectious diseases affection animals.

Department of Crime Control and Public Safety

**Emergency Management Operations Center** 

\$8,500,000

This is a Governor's item and a Senate item. Provides capital funds for the design and construction of a new Emergency Operations Center that would be located in the lower of the proposed National Guard Readiness Center.

Department of Environment and Natural Resources

Hickory Nut Gorge Expansion

\$15,000,000

This a Governor's item and a Senate item. Provides capital funds for land acquisitions and necessary improvements to expand the Chimney Rock Tract of Hickory Nut Gorge State Park. The total planned expansion is 2,000 acres at a total cost of \$30 million. Rep. Cole recommended that this item be flagged.

Water Resources Development Projects

\$20,000,000

This was in the Governor's budget at \$18.5 million. The Senate increased this by \$1.5 million; the difference is that the Senate chose to add this to the State and Local Projects line item of the Water Resource Development request from DENR. Provides funds for the state share of Water Resource Development Projects.

Information Technology Services

Secondary Statewide Data Center

\$24,841,300

This was in the Governor's budget. Provides capital funds for land acquisition, design and construction of a 45,000 square foot back-up data center in Rutherford County to serve State agencies statewide and allow for the elimination of a contract for disaster recovery services with a company in Pennsylvania.

NC System – Board of Governors UNC-Wilmington School of Nursing

\$27,000,000

This was a Governor's item and Board of Governors' request. This would allow for an expansion of the nursing school by providing a new facility.

NC State Engineering Complex III

\$61,000,000

This was in the Governor's budget and also a Board of Governors' request. It provides capital funds for the design and construction of the third phase of relocating the School of Engineering to Centennial Campus. The total cost of this project is \$69.7 million. Last year the General Assembly appropriated \$8.7 million for this project.

In answer to a question from Rep. Haire, Mr. Klinger stated that as part of the original Board of Governors' request; included in that request there was a proposed institute that would assist with the spinning off or technology transfer of innovations at the universities; both at NC State and UNC Chapel Hill out to the private sector. The request was for \$50 million to be split equally between NC State and UNC Chapel Hill to establish an institute that would serve this purpose of technology transfer. The deal will that foundation fell through. The Board of Governors chose not to proceed with that and withdrew the request for the additional \$50 million. This item was at one point \$25 million higher and that is why it is now \$61 million because UNC no longer wants that \$25 million for that center.

**UNC-Charlotte Center City Classroom Building** 

\$45,827,400

This was in the Governor's budget and Board of Governors' request. It provides capital funds for the design and construction of a 150,000 square foot classroom building to house graduate and professional programs.

Western Carolina University School of Health/Gerontology Building

\$2,402,661

This is a Senate only item and was a part of the Board of Governors' request. It provides capital planning funds for the School of Health and Gerontological Science building at WCU.

Center for Design Innovation

\$3,500,000

This is a Senate-only item. This is a joint project between Winston-Salem State University and NC School of the Arts to place this center at the Piedmont Triad Business Park in Winston-Salem.

In answer to a question raised by Rep. Haire, Mr. Klinger stated that in 2004 in HB1264 the General Assembly authorized the issuance of COPs for a number of projects including projects in the University system. This is one of the projects authorized for COPs to be issued for the purpose of planning, land acquisition, site development for this particular project. One of the requests from UNC this year is to have the language in HB 1264 changed so that the word construction is added; so that the \$10 million in COPs could be issued to complete the project.

UNC-Chapel Hill Genomics Science Building

\$35,000,000

This is a Senate-only item. It was in the Board of Governors' request at the full \$145 million level. The Board of Governors request was for planning and construction of this facility. This appropriation provides capital fund for planning, design, and site work for a Genomics Science Building in the Science Complex South. The 210,000 square foot facility has an estimated total cost of \$145 million.

This is a Senate-only item. It was also a part of the Board of Governors' request to provide capital funds for UNC Hospitals and the UNC School of Medicine to develop a comprehensive master plan.

**Dental Schools Planning** 

\$7,000,000

This is a Senate-only item. It provides capital planning funds for the expansion of the School of Dentistry at UNC-Chapel Hill and the establishment of School of Dentistry at East Carolina University.

Mr. Klingler then directed the Committee's attention to the bill document, starting on page 158, line 6. This document itemizes all of the projects in the Senate budget and appropriate the funds for those projects.

Line 50, Water Resources Development Project Funds. This itemizes the allocation of the water resources appropriation across projects. They start on line 55 on page 158 through line 24 on page 159. The list of projects is the same as the list that was presented to the Committee by the Department last week except for line 24 State-Local projects this was increased by \$1.5 million by the Senate.

Representative Cole asked since line (5) – Morehead City Harbor Maintenance Dredging and line (8) Brunswick County Beaches Study had zeros, why where they listed at all. Mr. Klingler responded that the Department is not requesting new appropriations for these projects. In some cases money is left over from the previous year. What they are looking to do is to get the project authorized but they are going to use funds that are available from previous years to fund them.

Section 23.2, subsections (b) and (c) are boiler-plate language that is included every year. Line 53 (Repairs and Renovations Reserve Allocation) is also boiler-plate language and unchanged from previous years. What it does is allocate the R&R money across State government between particularly the University of North Carolina and the remainder of State government with UNC getting 46% of the allocation and the rest of State government getting 54%.

Starting on line 17 (Include in the Six-Year Capital Improvement Plan the recommended funding sources for the projects proposed.) This was a recommendation of the Capital Oversight Committee. This revises the Capital Improvement Planning Act to require that the Governor prioritize projects that are requested in the six-year Capital Improvement Plan and also include some financial data particularly any estimate of any land acquisition, construction or rehabilitation costs for the project; propose means for financing the project, whether it involve direct or indirect debt service obligations and also an estimate of the construction completion of the project.

Line 50 (Use of existing plans for State construction) This also came out of the Capital Oversight Committee and it will require State agencies to wherever feasible use existing plans owned by the State in terms of architectural drawings and designs. When the State constructs a building it owns the designs for that building and so the attempt here is to get State agencies to begin using some of those designs. They are required to consult with the Office of State Construction and the Department of Administration to see if there might be an appropriate plan available prior to contracting with any design firms outside.

Line 46, page 161 (Use of receipts of the aquariums) This allows for DENR to retain the receipts of the aquariums and use them to reduce the debt service related to the construction of a one million gallon aquarium tank at Roanoke Island and a one million gallon tank at the Fort Fisher aquarium and improvements to several piers on the coast.

Line 54, page 161 (Timber sales receipts for capital improvements at agricultural research states and farms) This extends the date by which the Department of Agriculture is authorized to use up to a little over \$1 million of timber sales receipts for the listed capital improvement projects. Line 15, page 162 (Timber sales receipts for land acquisition at Piedmont research station) This is a new project that authorizes the use of timber sales receipts by the Department of Agriculture; \$1.7 million for land acquisition at Piedmont research station in Rowan County. Line 24 (Plant Conservation program funds) This was in the Governor's budget. This revises language from last year's budget bill. It would increase the amount authorized from the capital improvements account to \$30 thousand for FY2006-07. This is the account that houses the timber sale receipts and receipts from the sale of land possessed by the Department of Agriculture.

Line 52 on page 165. (Part XXVII. Special Indebtedness Projects – Hospital and Museum Special Indebtendness) Subsection (a) authorizes the issuance in FY 2006-07 of up to \$205.5 million for COPs for three projects: to complete the construction and equipping of the Central Regional Psychiatric Hospital (in Butner); Acquiring, construction and equipping a new Eastern Regional Psychiatric Hospital and acquiring (to replace Cherry Hospital in Goldboro), constructing and equipping an expansion of the North Carolina Museum of Art. Subsection (b) An additional project is authorized. This authorizes special indebtedness to be issued no sooner than FY 2008-2009 of \$162.8 million for the construction of the Western Regional Psychiatric facility. This will be the replacement for Broughton Hospital in Morgantown.

Chairman Wright thanked Mr. Klingler for his report and announced that the Committee would continue their deliberations Thursday, June 1, 2006 at 1:00 pm on bills that are before us and then begin to start crafting the House version of the capital budget.

The meeting was adjourned.

Representative Thomas Wright, Chairman

Jamilah Sabir-Calloway, Committee Assistant

# **VISITOR REGISTRATION SHEET**

HOUSE APPROPRIATIONS SUBCOMMITTEE ON CAPITAL

Name of Committee

MAY 31, 2006 (AFTER SESSION)

Date

# VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Sperior Flegges.	DOPA
Bill Stovall	DOC
Mildred Spearman	NCDOC
Heyward McKinney	DCR
Mark Larrier	UNCW.
Eldre Caldwell	MC Strough assn
Ra Stone	C, +122n

House Appropriations Subcommittee on Capital May 31, 2006, Convened One Hour after Session Ends Room 643 Legislative Office Building Representative Thomas Wright, Presiding

# **AGENDA**

- 1. Opening Remarks, Chairman Wright
- 2. Presentation of the Senate Capital Appropriations Budget Jim Klingler, Fiscal Research Division
- 3. Adjourn

# **CAPITAL Section M**

## Department of Agriculture and Consumer Services

1 Rollins Laboratory - Bio Security Level 2 Conversion Provides capital funds to convert a chemistry lab in Rollins Laboratory into a Bio Security Level 2 lab. This conversion will allow Rollins Laboratory to securely handle certain infectious diseases affecting animals.

\$250,000 N

### Department of Crime Control and Public Safety

2 Emergency Management Operations Center Provides capital funds for the design and construction of a new Emergency Operations Center that would be located in the lower level of the proposed National Guard Readiness Center. The Readiness Center received federal funds in FFY 2005-06 for planning and design. The National Guard expected to secure federal construction grants in FFY 2006-07 to complete the \$30 million project. The Emergency Operations Center would consolidate most Raleigh-based Division of Emergency Management personnel in one building

\$8,500,000 NR

# Department of Environment and Natural Resources

3 Hickory Nut Gorge Expansion

Provides capital funds for land acquisitions and necessary improvements to expand the Chimney Rock tract of Hickory Nut Gorge State Park. The total planned expansion is 2,000 acres at a total cost of \$30 million. DENR proposes funding the remaining land acquisitions with Clean Water Management Trust Fund, Natural Heritage Trust Fund, and Parks and Recreation Trust Fund monies.

\$15,000,000 NF

4/5

4 Water Resources Development Projects

Provides funds for the state share of Water Resources Development Projects. Projects are specified in a special provision.

\$20,000,000 NR

### Information Technology Services

5 Secondary Statewide Data Center

Provides capital funds for land acquisition, design and construction of a 45,000 square foot data center in Rutherford County. The center would provide data recovery services for State agencies in times of disaster. The center would also provide additional capacity for IT operations across State agencies. ITS currently contracts for disaster recovery services.

\$24,841,300 N

### **UNC System - Board of Governors**

6 UNC-Wilmington School of Nursing

Provides capital funds for the design and construction of an 80,000 square foot building for the School of Nursing. The General Assembly appropriated \$500,000 in FY 2004-05 and \$2,600,000 in FY 2005-06 for planning.

\$27,000,000 NR

Senate Committee on Appropriations/Base Budget	FY 06-07
7 NC State Engineering Complex III  Provides capital funds for the design and construction of the third phase of relocating the School of Engineering to Centennial Campus. The 166,700 square foot facility would house the Departments of Mechanical and Aerospace Engineering and Biomedical Engineering. Total cost for this project is \$69.7 million. The General Assembly appropriated \$8.7 million to this project in FY 2005-06.	\$61,000,000 NR
8 UNC-Charlotte Center City Classroom Building Provides capital funds for the design and construction of a 150,000 square foot classroom building to house graduate and professional programs. Belk College of Business, the College of Architecture, and Lee College of Engineering will move to this downtown facility.	\$45,827,400 NR
9 Western Carolina University School of Health/Gerontology Building Provides capital planning funds for the School of Health and Gerontological Science building at WCU. Total estimated cost for this project is \$46.2 million.	\$2,402,661 NR
10 Center for Design Innovation Provides capital funds to Winston Salem State University for the design and construction of the Center for Design Innovation, including facilities and infrastructure.	\$3,500,000 NR
11 UNC-Chapel Hill Genomics Science Building Provides capital funds for planning, design, and site work for a Genomics Science Building in the Science Complex South. The 210,000 square foot facility has an estimated total cost of \$145,000,000.	\$35,000,000 NR
12 UNC Hospitals at Chapel Hill Master Facilities Plan Provides capital funds for UNC Hospitals and the UNC School of Medicine to develop a comprehensive master plan.	\$3,000,000 NR
13 Dental Schools Planning Provides capital planning funds for the expansion of the School of Dentistry at UNC-Chapel Hill and the establishment of a School of Dentistry at East Carolina University.	\$7,000,000 NR

**Total Appropriation to Capital** 

\$253,321,361

NR

# **CAPITAL Section M**

# Capital

**GENERAL FUND** 

# Department of Agriculture and Consumer Services

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\$8,500,000 NR

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\$15,000,000

4/5

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Provides funds for the state share of Water Resources Development Projects. Projects are specified in a special provision.

\$20,000,000 NR

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\$27,000,000 NR

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10 Center for Design Innovation Provides capital funds to Winston Salem State University for the design and construction of the Center for Design Innovation, including facilities and infrastructure.	\$3,500,000 NR
11 UNC-Chapel Hill Genomics Science Building Provides capital funds for planning, design, and site work for a Genomics Science Building in the Science Complex South. The 210,000 square foot facility has an estimated total cost of \$145,000,000.	\$35,000,000 NR
12 UNC Hospitals at Chapel Hill Master Facilities Plan Provides capital funds for UNC Hospitals and the UNC School of Medicine to develop a comprehensive master plan.	\$3,000,000 NR
13 Dental Schools Planning Provides capital planning funds for the expansion of the School of Dentistry at UNC-Chapel Hill and the establishment of a School of Dentistry at East Carolina University.	\$7,000,000 NR

**Total Appropriation to Capital** 

\$253,321,361

NR

(3) Have received an honorable discharge from the North Carolina national guard."

# PART XXIII. CAPITAL APPROPRIATIONS.

CAPITAL A	APPROP	RIATION	S/GENERAL	FUND
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**SECTION 23.1.** There is appropriated from the General Fund for the 2006-2007 fiscal year the following amounts for capital improvements:

Capital Improvements – General Fund	2006-2007
Department of Agriculture and Consumer Services Rollins Laboratory – Bio Security Level 2 Lab Conversion	\$250,000
Department of Crime Control and Public Safety Emergency Management Operations Center	8,500,000
Department of Environment and Natural Resources Hickory Nut Gorge Expansion Water Resources Development Projects	15,000,000 20,000,000
Office of the Governor Information Technology Services – State Data Center	24,841,300
University of North Carolina System University of North Carolina at Wilmington – School of Nursing	27,000,000
North Carolina State University - Engineering Complex III	61,000,000
University of North Carolina at Charlotte – Center City Classroom Building	45,827,400
Winston Salem State University – Center for Design Innovation	3,500,000
University of North Carolina at Chapel Hill – Genomics Science Building Design and Construction Preparation	35,000,000
UNC Hospitals at Chapel Hill – Master Facilities Plan	3,000,000
Western Carolina University – New School of Health and Gerontological Sciences Building Planning Funds	2,402,661
Dental Schools Planning Funds	7,000,000

# WATER RESOURCES DEVELOPMENT PROJECT FUNDS

TOTAL CAPITAL IMPROVEMENTS – GENERAL FUND

SECTION 23.2.(a) The Department of Environment and Natural Resources shall allocate the funds appropriated in this act for water resources development projects to the following projects whose costs are as indicated:

Name of Project 2006-2007
(1) Wilmington Harbor Deepening \$ 5,275,000

\$253,321,361

1	(2)	Morehead City Harbor Sand Management	1,200,000
2	(3)	Manteo (Shallowbag) Bay Channel Maintenance	-
3	(4)	Wilmington Harbor Maintenance Dredging	-
4	(5)	Morehead City Harbor Maintenance Dredging	0
5	(6)	Carolina Beach Renourishment	1,125,000
6	(7)	Carolina Beach Renourishment (Kure Beach)	681,000
7	(8)	Brunswick County Beaches Study	0
8 9	(9)	Ocean Isle Beach Renourishment (Brunswick County)	435,000
9	(10)	Beaufort Harbor Maintenance Dredging	300,000
10	(11)	B. Everett Jordan Reservoir Water Supply Storage	100,000
11	(12)	Aquatic Weed Control – Lake Gaston and Statewide	400,000
12	(13)	Waterway Connecting Pamlico Sound to Beaufort Harbor	(Carteret) 400,000
13	(14)	John H. Kerr Reservoir Operations Evaluation	188,000
14	(15)	Currituck Sound Water Management Study	386,000
15	(16)	Surf City / North Topsail Beach Protection Study	-
16	(17)	West Onslow Beach (Topsail) Study (Pender County)	85,000
17	(18)	Hurricane Steam Restoration – Western NC (Phase II)	2,000,000
18	(19)	Hurricane Isabel Emergency Management	•
19		Stream Cleanup (Phase III)	850,000
20	(20)	Bogue Banks Shore Protection Study (Carteret County)	-
21	(21)	Neuse River Basin Study	280,000
22	(22)	Beach and Inlet Management Study	500,000
23	(23)	Dredging Contingency Fund	2,295,000
24	(24)	State – Local Projects	3,500,000
25		TOTALS	\$ 20,000,000

SECTION 23.2.(b) Where the actual costs are different from the estimated costs under subsection (a) of this section, the Department may adjust the allocations among projects as needed. If any projects funded under subsection (a) of this section are delayed and the budgeted State funds cannot be used during the 2006-2007 fiscal year, or if the projects funded under subsection (a) of this section are accomplished at a lower cost, the Department may use the resulting fund availability to fund any of the following:

1) U.S. Army Corps of Engineers project feasibility studies.

(2) U.S. Army Corps of Engineers projects whose schedules have advanced and require State-matching funds in fiscal year 2006-2007.

(3) State-local water resources development projects.

Funds not expended or encumbered for these purposes shall revert to the General Fund at the end of the 2007-2008 fiscal year.

SECTION 23.2.(c) The Department shall make semiannual reports on the use of these funds to the Joint Legislative Commission on Governmental Operations, the Fiscal Research Division, and the Office of State Budget and Management. Each report shall include all of the following:

All projects listed in this section.
 The estimated cost of each project.

(3) The date that work on each project began or is expected to begin.

(4) The date that work on each project was completed or is expected to be completed.

(5) The actual cost of each project.

The semiannual reports shall also show those projects advanced in schedule, those projects delayed in schedule, and an estimate of the amount of funds expected to revert to the General Fund.

# REPAIRS AND RENOVATIONS RESERVE ALLOCATION

SECTION 23.3. Of the funds in the Reserve for Repairs and Renovations for the 2006-2007 fiscal year, forty-six percent (46%) shall be allocated to the Board of

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Governors of The University of North Carolina for repairs and renovations pursuant to G.S. 143-15.3A, in accordance with guidelines developed in The University of North Carolina Funding Allocation Model for Reserve for Repairs and Renovations, as approved by the Board of Governors of The University of North Carolina, and fifty-four percent (54%) shall be allocated to the Office of State Budget and Management for repairs and renovations pursuant to G.S. 143-15.3A.

Notwithstanding G.S. 143-15.3A, the Board of Governors may allocate funds for the repair and renovation of facilities not supported from the General Fund if the Board determines that sufficient funds are not available from other sources and that conditions warrant General Fund assistance. Any such finding shall be included in the Board's submission to the Joint Legislative Commission on Governmental Operations

on the proposed allocation of funds.

The Board of Governors and the Office of State Budget and Management shall consult with the Joint Legislative Commission on Governmental Operations prior to the allocation or reallocation of these funds.

# INCLUDE IN THE SIX-YEAR CAPITAL IMPROVEMENT PLAN THE RECOMMENDED FUNDING SOURCES FOR THE PROJECTS PROPOSED **SECTION 23.4.** G.S. 143-34.45 reads as rewritten:

"§ 143-34.45. Six-year capital improvement plan.

The State capital improvement plan shall address the long-term capital improvement needs of all State government agencies and shall incorporate all capital projects, however financed, proposed to meet those needs, except that transportation infrastructure projects shall be excluded. On or before December 31 of each even-numbered year, the Director of the Budget shall prepare and transmit to the General Assembly a six-year capital improvement plan. When preparing the plan, the Director of the Budget shall consider the capital improvement needs estimates submitted by State agencies as required in G.S. 143-34.44. The plan shall be prepared in two parts.

The first part of the capital improvement plan shall set forth repair and (b) renovations requirements that, in the judgment of the Director of the Budget, must be met to protect and preserve existing capital improvement facilities. General Fund expenditure levels anticipated in this part of the plan shall be consistent with the formula establishing the repair and renovation reserve in G.S. 143-15.3A. The plan shall identify individual projects in priority order by State agency and shall specify the

proposed means of financing.

The second part of the capital improvement plan shall set forth an integrated schedule for land acquisition, new construction, or rehabilitation of existing facilities that, in the judgment of the Director of the Budget, should be initiated within each year of the six-year planning period. The plan shall contain an estimated schedule for each project, along with estimates of planning, design, and construction cost. The plan shall contain all of the following for each project:

An estimate of land acquisition and construction or rehabilitation (1)costs.

The proposed means of financing the project. Where the means of (2)financing would involve direct or indirect debt service obligations, the plan shall include a schedule of those obligations.

An estimated schedule for the completion of the project." (3)

# USE OF EXISTING PLANS FOR STATE CONSTRUCTION

SECTION 23.5.(a) G.S. 143-31.1 reads as rewritten:

"§ 143-31.1. Study Use of existing plans for State construction projects; study and review of plans and specifications for building, improvement, etc., projects.

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All State agencies shall use existing plans and specifications for construction projects, where feasible. Prior to designing a project, State agencies shall consult with the Department of Administration on the availability of appropriate existing plans and

specifications and the feasibility of using them for a project.

It shall be the duty and responsibility of the The Director of the Budget to shall determine whether buildings, repairs, alterations, additions or improvements to physical properties for which appropriations of State funds are made have been designed for the specific purpose for which such appropriations are made, that such projects have been designed giving proper consideration to economy in first cost, in maintenance cost, in materials and type of construction. Architectural features shall be selected which give proper consideration to economy in design. The Director of the Budget shall have prepared a complete study and review of all plans and specifications for such projects and bids on same will not be received until the results of such study and review have been incorporated in such plans and specifications, and until economic conditions of the construction industry are considered by the Office of State Budget and Management to be favorable to the letting of construction contracts. The Director of the Budget may, when he considers it in the best interest of the State to do so, terminate design contracts when it is documented that the designer has failed to perform the conditions enumerated in the contract.

Notwithstanding G.S. 143-135, the Director of the Budget may authorize the Department of Health and Human Services and the Department of Correction to use funds necessary for projects that correct deficiencies, improve living conditions, or

renovate unneeded patient space for State office space."

**SECTION 23.5.(b)** G.S. 116-31.11(a) reads as rewritten:

Notwithstanding G.S. 143-341(3) and G.S. 143-135.1, the Board shall, with respect to the design, construction, or renovation of buildings, utilities, and other property developments of The University of North Carolina requiring the estimated expenditure of public money of two million dollars (\$2,000,000) or less:

(1) Conduct the fee negotiations for all design contracts and supervise the

letting of all construction and design contracts.

Develop procedures governing the responsibilities of The University (2) of North Carolina and its affiliated and constituent institutions to perform the duties of the Department of Administration and the Director or Office of State Construction under G.S. 133-1.1(d) and G.S. 143-341(3).

Develop procedures and reasonable limitations governing the use of open-end design agreements, subject to G.S. 143-64.34 and the

approval of the State Building Commission.

Use existing plans and specifications for construction projects, where (4) feasible. Prior to designing a project, the Board shall consult with the Department of Administration on the availability of existing plans and specifications and the feasibility of using them for a project.

SECTION 23.5.(c) This section applies to construction projects on which

design is begun after that date.

(3)

USE OF RECEIPTS OF THE AQUARIUMS

**SECTION 23.6.** Notwithstanding any other provision of law and pursuant to G.S. 143B-289.44, the Department of Environment and Natural Resources shall use funds available in the North Carolina Aquariums Fund to pay the debt service related to the construction of a one million gallon aquarium tank at the aquarium on Roanoke Island, a one million gallon tank at the Fort Fisher aquarium, and improvements to Jennette's pier in Nags Head and the Emerald Isle pier.

#### SALES RECEIPTS FOR CAPITAL IMPROVEMENTS TIMBER AGRICULTURAL RESEARCH STATIONS AND FARMS

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53 54 **SECTION 23.7.** Section 11.2 of S.L. 2005-276 reads as rewritten:

"SECTION 11.2. The sum of one million thirty-three thousand one hundred dollars (\$1,033,100) shall be transferred from the Department of Agriculture and Consumer Services' timber sales capital improvement account in the Department of Agriculture and Consumer Services as such funds become available during the 2005-2006 fiscal year, during the 2006-2007 fiscal year and used by the Department for the following capital improvements projects at agricultural research stations and research farms:

\$378,000 for improvements at the swine facility at the Cherry

Research Farm.

\$285,500 for renovation of dairy facilities at the Cherry Research (2)

\$369,600 for land acquisition and development at the Tidewater (3) Research Station."

TIMBER SALES RECEIPTS FOR LAND ACQUISITION AT PIEDMONT **RESEARCH STATION** 

**SECTION 23.8.** The sum of one million seven hundred thousand dollars (\$1,700,000) shall be transferred from the Department of Agriculture and Consumer Services' timber sales capital improvement account in the Department of Agriculture and Consumer Services as such funds become available during the 2006-2007 fiscal year and shall be used by the Department for land acquisition at the Piedmont Research Station in Rowan County.

# PLANT CONSERVATION PROGRAM FUNDS

SECTION 23.9. Section 11.3 of S.L. 2005-276 reads as rewritten:

"SECTION 11.3. From funds received from the sale of timber that are deposited with the State Treasurer pursuant to G.S. 146-30 to the credit of the Department of Agriculture and Consumer Services in a capital improvement account, the sum of twenty thousand dollars (\$20,000)thirty thousand dollars (\$30,000) for the 2006-2007 fiscal year shall be transferred to the Department of Agriculture and Consumer Services to be used by the Department for its plant conservation program under Article 19B of Chapter 106 of the General Statutes for costs incidental to the acquisition of land, such as land appraisals, land surveys, title searches, and environmental studies and for the management of plant conservation program preserves owned by the Department.'

#### PART XXIV. TAX REDUCTIONS

# REDUCE SALES TAX RATE EARLY

**SECTION 24.1.(a)** Section 34.13(c) of S.L. 2001-424, as amended by Section 38.1 of S.L. 2003-284, Section 9.1 of S.L. 2005-144, and Section 33.1 of S.L.

2005-276, reads as rewritten:

"SECTION 34.13.(c) This section becomes effective October 16, 2001, and applies to sales made on or after that date. This section is repealed effective for sales made on or after July 1, 2007. This section does not affect the rights or liabilities of the State, a taxpayer, or another person arising under a statute amended or repealed by this section before the effective date of its amendment or repeal; nor does it affect the right to any refund or credit of a tax that accrued under the amended or repealed statute before the effective date of its amendment or repeal."

SECTION 24.1.(b) G.S. 105-164.4(a), as amended by subsection (a) of this

section, reads as rewritten:

A privilege tax is imposed on a retailer at the following percentage rates of the retailer's net taxable sales or gross receipts, as appropriate. The general rate of tax is four and one-half percent (4 1/2%) one-quarter percent (4.25%).

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0	\$12,750	6%
\$12,750	\$60,000	. 7%
\$60,000	\$120,000 <u>NA</u>	7.75%
\$120,000	NA	8%

(4) For married individuals who do not file a joint return under G.S. 105-152:

Over	Up To	Rate
0	\$10,625	6%
\$10,625	\$50,000	7%
\$50,000	\$100,000NA	7.75%
\$100,000	NA	8%".

**SECTION 24.2.(d)** Subsection (b) of this section is effective for taxable years beginning on or after January 1, 2007. Subsection (c) of this section is effective for taxable years beginning on or after January 1, 2008. The remainder of this section is effective when it becomes law.

# CAP THE VARIABLE WHOLESALE COMPONENT OF THE MOTOR FUEL TAX RATE AT ITS CURRENT RATE FOR ONE YEAR.

**SECTION 24.3(a).** Notwithstanding G.S. 105-449.80(a), for the period July 1, 2006, through June 30, 2007, the variable wholesale component of the motor fuel excise tax rate may not exceed twelve and four-tenths cents  $(12.4 \, \text{¢})$  a gallon.

# PART XXV. MINIMUM WAGE INCREASE

# **INCREASE MINIMUM WAGE**

**SECTION 25.1.(a)** G.S. 95-25.3(a) reads as rewritten:

"(a) Every employer shall pay to each employee who in any workweek performs any work, wages of at least the minimum wage set forth in paragraph 1 of section 6(a) of the Fair Labor Standards Act, 29 U.S.C. 206(a)(1), as that wage may change from time to time, six dollars and fifteen cents (\$6.15) per hour, except as otherwise provided in this section."

SECTION 25.1.(b) This section becomes effective September 1, 2006.

# PART XXVI. SET REGULATORY FEES

# SET UTILITIES REGULATORY FEE

SECTION 26.1.(a) The percentage rate to be used in calculating the public utility regulatory fee under G.S. 62-302(b)(2) is twelve-hundredths of one percent (0.12%) for each public utility's North Carolina jurisdictional revenues earned during each quarter that begins on or after July 1, 2006.

**SECTION 26.1.(b)** The electric membership corporation regulatory fee imposed under G.S. 62-302(b1) for the 2006-2007 fiscal year is two hundred thousand dollars (\$200,000).

# SET INSURANCE REGULATORY FEE

**SECTION 26.2.** The percentage rate to be used in calculating the insurance regulatory charge under G.S. 58-6-25 is five and one-half percent (5.5%) for the 2006 calendar year.

# PART XXVII. SPECIAL INDEBTEDNESS PROJECTS

## HOSPITAL AND MUSEUM SPECIAL INDEBTEDNESS

**SECTION 27.1.(a)** In accordance with G.S. 142-83, this subsection authorizes the issuance or incurrence of special indebtedness in the following maximum aggregate principal amounts to finance the costs of the following projects. The table below provides the maximum principal amounts. The State, with the prior approval of the State Treasurer and the Council of State, as provided in Article 9 of Chapter 142 of the General Statutes, is authorized to issue or incur special indebtedness in order to provide funds to the State to be used, together with other available funds, to pay the cost of these projects. Each project is listed below in its order of priority.

Aggregate Maximum	Project
\$20,000,000	Completing the construction and equipping of the Central Regional Psychiatric Hospital for the Department of Health and Human Services.

\$145,500,000	Acquiring, constructing, and equipping a new Eastern Regional Psychiatric Hospital for the
	Department of Health and Human Services.

\$40,000,000	Acquiring, constructing, and equipping are expansion for the North Carolina Museum of Art, but not including the acquisition of	f
	additional land	-

# TOTAL: \$205,500,000

SECTION 27.1.(b) In accordance with G.S. 142-83, this subsection authorizes the issuance or incurrence of special indebtedness in the maximum aggregate principal amount of one hundred sixty-two million eight hundred thousand dollars (\$162,800,000) to finance the capital facility costs of a new Western Regional Psychiatric Hospital for the Department of Health and Human Services. The State, with the prior approval of the State Treasurer and the Council of State, as provided in Article 9 of Chapter 142 of the General Statutes, is authorized to issue or incur special indebtedness in order to provide funds to the State to be used, together with other available funds, to pay the costs of acquiring, constructing, and equipping the project described in this subsection. The special indebtedness authorized by this subsection may not be issued before July 1, 2008, unless the State Treasurer makes a specific written finding that an earlier issuance date is in the best interests of the State.

# **SECTION 27.1.(c)** This section is effective when it becomes law.

### PART XXVIII. MISCELLANEOUS PROVISIONS

# **EXECUTIVE BUDGET ACT APPLIES**

SECTION 28.1. The provisions of the Executive Budget Act, Chapter 143, Article 1 of the General Statutes, are reenacted and shall remain in full force and effect and are incorporated in this act by reference.

# **COMMITTEE REPORT**

SECTION 28.2.(a) The Senate Appropriations Committee Report on the Continuation, Expansion, and Capital Budgets shall indicate action by the General Assembly on this act and shall therefore be used to construe this act, as provided in G.S. 143-15 of the Executive Budget Act, and for these purposes shall be considered a part of this act and as such shall be printed as a part of the Session Laws.

SECTION 28.2.(b) The budget enacted by the General Assembly for the maintenance of the various departments, institutions, and other spending agencies of the

# House Appropriations Subcommittee on Capital

### **Minutes**

June 1, 2006, 1:00 p.m. Room 643 Legislative Office Building

Representative Thomas Wright, Presiding

The House Appropriations Subcommittee on Capital met on Thursday, June 1, 2006 at 1 p.m. in Room 643 of the Legislative Office Building. The following members were in attendance: Chairman Thomas Wright, Reps. West Haire, and Hollo, Jim Klinger, from fiscal research and Jamilah Sabir-Calloway, committee assistant were also present. Without objection the Chair declared a quorum. A list of visitors in attendance and an agenda are attached and made part of these minutes. Chairman Wright called the meeting to order and introduced the House Pages and Sgt-At-Arms as listed on the attached roster.

Rep. Wright called on Rep. Dickson to explain **HB 2283 Museum of the Cape Fear Funds.** A copy of the bill was passed out and are attached and made part of these minutes. Rep. Dickson stated that this bill would appropriate funds for an expansion of the museum of the Cape Fear located in Fayetteville. The request is for \$15 million.

Rep. Wright called on Rep. Warren to explain **HB 2318 Senator Bob Martin Eastern Agricultural Center Funds.** Rep. Warren stated that the Senator Bob Martin Eastern Agricultural Center has been in operation for many years but is incomplete. This bill would appropriate \$3 million from the General Fund for the installation of two stall barns at the facility.

Chairman Wright stated that that concluded the agenda for the day and the plan was to continue deliberations next week. He stated there could be a call meeting on Tuesday, definitely the regular meeting scheduled for Wednesday.

The meeting was adjourned.

Representative Thomas Wright, Chairman

Jamilah Sabir-Calloway, Committee Assistant

## HOUSE APPROPRIATIONS SUBCOMMITTEE ON CAPITAL

### ATTENDANCE SHEET

		WI 11	21 <b>112</b> / 1.	IVCE	 L 			 	
DATES	May 17, 2006	May 24, 2006	May 31, 2006	June 1, 2006					
Thomas Wright (Chairman)	X	X	X	X					
Howard Hunter (Vice-Chair)									
Roger West (Vice-Chair)	X	X	X	X					
Alma Adams	X		X						
Jeff Barnhart			X						
Nelson Cole	X	X	X						
Phillip Haire	X	X	X	X					
Mark Hollo	X	X	X	X					
Verla Insko	X	X	X						
Joe Kiser	X	X	X						
Edgar Starnes			X						
Douglas Yongue									
Rep. Sherrill	X								
Rep. Ross	X								
Bill Owens						!	:		
Edd Nye									
Staff									
Jim Klingler	X	X	X	X					
Committee Assistant									
Jamilah Sabir-Calloway	X	X	X	X					

## House Pages

CAPITAL Dire 6-7-06 Name Of Committee:\_\_\_ 2. Name: Showi Kendlerson County: Granville Sponsor: Pep. Crawford 3. Name: County: Sponsor: \_\_\_\_\_ 4. Name: \_\_\_\_\_ County: Sponsor: 5. Name: \_\_\_\_ County: \_ Sponsor: Sgt-At-Arms 2. Name: 3. Name: /

HOUSE APPROPRIATIONS SUBCOMMITTEE ON CAPITAL

Name of Committee

Date

## VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Mark Lanier	UNCW
Hyrette John	HHS
Toz Sault	Necce
Patrul Jever	Cil Scouts
JAcung min	FDDP
Jun Termon	& UNC
Jennifer Wimmer	OSBM
Danielle Boran	DSBM
Chris Harder	OSBM
ADAM BRUEGGENANN	OSBM
JIMLORA	0SBM

HOUSE APPROPRIATIONS SUBCOMMITTEE ON CAPITAL

Name of Committee

Date

## VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Specos Pleaths	DOTA
Staci Majer	DCR
Greg Piner	DCR
Jin Matheron	Der
Day Stienete	Doc
Bill Stouall	DOC
Mildred Spearman	NCDOC
Crystaltasson	Coverant
Ebrareth Son	DENR
Unur Lam	NCTMF

## House Appropriations Subcommittee on Capital June 1, 2006, 1:00 p.m. Room 643 Legislative Office Building Representative Thomas Wright, Presiding

- 1. Chairman's Opening Remarks
- 2. Staff Response to Committee Questions

Jim Klingler, Fiscal Research Division

3. HB 2283 Museum of the Cape Fear Funds

Represenatives Dickson, Glazier, Lucas, McAllister

4. HB 2318 Senator Bob Martin Eastern Agricultural Center Funds

Representative Warren

- 5. Committee Requests for Consideration and Discussion
- 6. Adjourn

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#### **HOUSE BILL 2283\***

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Short Title: Museum of the Cape Fear Funds. (Public) Representatives Dickson, Glazier, Lucas, and McAllister (Primary Sponsors: Sponsors). Referred to: Appropriations. May 22, 2006 A BILL TO BE ENTITLED AN ACT TO APPROPRIATE FUNDS TO THE DEPARTMENT OF CULTURAL RESOURCES FOR CAPITAL IMPROVEMENTS AT THE MUSEUM OF THE CAPE FEAR. The General Assembly of North Carolina enacts: There is appropriated from the General Fund to the SECTION 1. Department of Cultural Resources the sum of fifteen million dollars (\$15,000,000) for the 2006-2007 fiscal year for capital improvements at the Museum of the Cape Fear. **SECTION 2.** This act becomes effective July 1, 2006.

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#### **HOUSE BILL 2318\***

(Public)

Sponsors:

Representative Warren.

Short Title: Senator Bob Martin Eastern Ag. Ctr. Funds.

Referred to: Appropriations.

#### May 23, 2006

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### A BILL TO BE ENTITLED

AN ACT TO APPROPRIATE FUNDS FOR THE SENATOR BOB MARTIN EASTERN AGRICULTURAL CENTER.

The General Assembly of North Carolina enacts:

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SECTION 1. There is appropriated from the General Fund to the Department of Agriculture and Consumer Services the sum of three million dollars (\$3,000,000) for the 2006-2007 fiscal year for the installation of two stall barns at the Seneter Pob Martin Fastern Agricultural Center

Senator Bob Martin Eastern Agricultural Center.

**SECTION 2.** This act becomes effective July 1, 2006.

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#### House Appropriations Subcommittee on Capital

#### **Minutes**

June 7, 2006, 12:00 p.m. Room 643 Legislative Office Building

Representative Thomas Wright, Presiding

The House Appropriations Subcommittee on Capital met on Wednesday, June 7, 2006 at 12:00 noon in Room 643 of the Legislative Office Building. The following members were in attendance: Chairman Thomas Wright, Reps. West, Cole, Haire, and Hollo. Jim Klinger, from fiscal research and Jamilah Sabir-Calloway, committee assistant were also present. A list of visitors in attendance and an agenda are attached and made part of these minutes.

Chairman Wright called the meeting to order and introduced the House Pages and Sgt-At-Arms as listed on the attached roster. He stated that **HB 1927**, **Fire Protection Funds for UNC Pembroke**, Rep. Yongue's bill will be presented by Rep. Sutton and would be heard later in the meeting.

Chairman Wright then called on Rep. Hollo to explain HB 1969, Hickory Center For Engineering Tech./Funds. This is an economic development bill that comes as a recommendation from the Board of Governors to help establish the Hickory Center for Engineering Technology and the development of engineering technology programs to be offered by the center. Rep. Hollo presented two speakers recognized by the Chair. First, President of the North Carolina Board of Governors, Erskin Bowles after that the Mayor of Hickory, Willie Wright. The Chair recognized President Bowles. Mr. Bowles stated that this project is fully supported by him and by the Board of Governors. He stated that this area (Hickory) has been hit very hard by globalization by suffering the loss of jobs in the textile, apparel and furniture industries. In order to compete in this area for the jobs of tomorrow we will need to get more people better educated. The Board of Governors has approached this problem by bringing the community colleges and universities in that region together in a pilot project. The community has been exceedingly supportive. They have raised the money to purchase the corning glass facility and money for operating costs. This legislation would provide \$1 million to begin this operation. This project will give people the opportunity to have the skills they will need to succeed in this new world to work. He highly recommended this legislation.

Mayor Willie Wright was recognized and stated that also present from Hickory were Mandy Pitts, Public Information Officer, Councilman Brad Lail, and Mick Berry, City Manager. He stated that the greater Hickory Metro area consists of four counties; Caldwell, Catawba, Burke and Alexander comprising 375,000 people. It has historically had a very high percentage of manufacturing jobs and during the 80s and 90s manufacturing drove their economy. At points they were over 50% manufacturing oriented. Unemployment ran around 2% at most times. In the late 90s, globalization and some competitive issues in cable industry combined to drive their unemployment to over 10%. Due to the fact that people could get good paying manufacturing jobs without a lot of higher education; Hickory Metro area has the lowest educational obtainment of any

metropolitan area in North Carolina. About five years ago the Hickory Metro Higher Education Center was established. Last year 62 individuals received degrees, this year 140; and it is increasing exponentially. The Engineering Technology Center will allow them to continue to develop their manufacturing orientation, re-educate/re-train individuals displaced from furniture, textiles and fiber optic cable. Rep. Hollo asked for support on the bill.

Chairman Wright recognized Rep. McComas to explain HB 1035, Marine Technology Research Vessel Funds. This bill sets aside funding to replace the research vessel Dan Moore used by Cape Fear Community College for marine technology programs. The existing vessel is 40 years old; the hull has become very thin because of electrolysis. The amount requested is \$7 million. The Chairman pointed out that HB 1035 was last year's bill; the appropriate bill requesting \$7 million is HB 1967, Marine Technology Research Vessel Funds which was distributed to the committee and is attached and made part of these minutes.

Rep. Sutton was recognized to explain HB 1927, Fire Protection Funds for UNC Pembroke. Rep. Cole moved to amend the bill, on page 1, line 9, deleting the phrase "Pembroke Rural Volunteer Fire Department, Inc." and substituting the phrase "Pembroke City Fire Department." The Chair recognized Rep. Sutton to speak on the amendment. He stated that this amendment changes party from the rural fire department to the city fire department. Since the campus is located both in the rural area and the city area the agreement was to change it to the city. Rep. Cole moved adoption of the amendment; the Chair asked for the vote. The amendment was adopted. A copy of the amendment is attached and made part of these minutes.

Rep. Sutton was recognized by the Chair to speak on the bill. Rep. Sutton stated that the bill appropriates \$750,000 this year to the UNC System for the purchase of a fire truck for Pembroke City Fire Department to be used with the main purpose of supporting the UNC at Pembroke. The UNC at Pembroke has several buildings that have floors that at the present time there is no fire department vehicle that can reach the top floor. The nearest truck that can reach the top is 14 miles away in Lumberton. It is a very dangerous situation and presently UNC at Pembroke is the only campus in the system that does not have coverage of this type of fire equipment. In answer to a question by Rep. Cole, Rep. Wright stated that the Town of Pembroke does not qualify for the Department of Insurance funds and that is why this bill is before the Capital Committee.

Chairman Wright relinquished the Chair to Vice Chairman West. Chairman West recognized Rep. Wright to explain HB 2181, Revise Capital Improvement Plan.

Rep. Wright deferred to staff for a short explanation of the bill. The Chair recognized Jim Klingler of Fiscal Research. Mr. Klingler stated that the next three bills, HB 2181, HB 2183 and HB 2182 were parts of the recommended legislation that came out of the Capital Oversight Committee that met during the Interim. The first one, HB 2181, Revise Capital Improvement Plan revises the Capital Improvements Planning Act that was originally passed in 1997. It is a requirement of the Office of the Governor to produce a six-year capital improvements plan and submit it to the General Assembly prior to each long session. The Governor is in the process of producing the very first capital improvement plan for this upcoming long session. Changes recommended by the

Oversight Committee (page 2, lines 1-6) include an estimate of land acquisition and construction or rehabilitation costs; the proposed means of financing the project. Where the means of financing would involved direct or indirect debt service obligations, the plan shall include a schedule of those obligations, and an estimated scheduled for the completion of the project." Rep. Haire moved that HB 2181 be given a favorable report. The motion carried.

Chairman West recognized Rep. Wright to explain HB 2183, Capital Improvements Reserve Account. Representative Wright asked if staff could be recognized to explain the bill. The Chair called on Jim Klingler to explain the bill. This would establish a Capital Improvements Reserve Account that would be an account within the General Fund. It would serve the purpose for transferring all capital funds attended for Appropriation to one account which the General Assembly would appropriate for specific designated capital projects out of that fund for projects to be proceeded with by the Executive. This bill is an attempt by the Capital Oversight Committee to start stabilizing the availability of General Fund dollars for Capital Improvement projects as part of an overall schematic for funding Capital projects. It creates a reserve to place those funds. It also creates an earmarking of the unreserved credit balance of 25% to be transferred by the State Controller on June 30<sup>th</sup> into this account. This would join two other year-end credit balance ear markings 1) the rainy day fund – Savings Reserve Account and 2) Repairs and Renovations Reserve Account. This bill would make the Capital Reserve Account the 3<sup>rd</sup> priority. Rep. Haire was recognized for a motion that HB 2183 be given a favorable report. The motion was carried.

Chairman West recognized Rep. Wright to explain HB 2182, Funds for Capital Improvement Reserve Account. Rep. Wright stated that this bill appropriates \$50 million for this fiscal year and asked the Chair to recognize Mr. Klingler to explain the bill. The Chair called on Mr. Klingler. Mr. Klingler stated that this is a straight intended recurring \$50 million appropriation for Capital Improvements. It would also be transferred to that Capital Reserve Account so that they would all be located in one place. Chairman West recognized Rep. Wright who stated that this does not require official action from the Committee.

Chairman West turned the Chair over to Rep. Wright. Chairman Wright stated that there may be a called meeting in the near future and told the Committee members there could be an announcement from the floor of an upcoming meeting.

The meeting was adjourned.

Representative Thomas Wright, Chairman

Jamilah Sabir-Calloway, Committee Assistant

## HOUSE APPROPRIATIONS SUBCOMMITTEE ON CAPITAL

## ATTENDANCE SHEET

		AIIE		ICE 5	THEFT				
DATES	May 17, 2006	May 24, 2006	May 31, 2006	June 1, 2006	June 7, 2006				
Thomas Wright (Chairman)	X	X	X	X	X				
Howard Hunter (Vice-Chair)									
Roger West (Vice-Chair)	X	X	X	X	X		,		
Alma Adams	X		X						
Jeff Barnhart			X						
Nelson Cole	X	X	X		X				
Phillip Haire	X	X	X	X	X				
Mark Hollo	X	X	X	X	X				
Verla Insko	X	X	X						
Joe Kiser	X	X	X			 			
Edgar Starnes			X						
Douglas Yongue									
Rep. Sherrill	X								
Rep. Ross	X								
Bill Owens									
Edd Nye									
Staff									
Jim Klingler	X	X	X	X	X				
<b>Committee Assistant</b>									
Jamilah Sabir-Calloway	X	X	X	X	X				

## House Pages

Name Of Committee: Date:	07-06
1. Name: Chros McLains	_
County: Wake	_
Sponsor: Dickson	-
2. Name: Cartton Jones	•
County: FOSSYLD	-
Sponsor: CJOINBE	
3. Name: AINX MCLanb	
County: Lake	,
Sponsor: Ockron	
4. Name: Chistopher Morreow	
County: Haywesd	
Sponsor: Rep. Ray Rapp	
5. Name:	
County:	
Sponsor:	
Sgt-At-Arms	
I. Name: FAR COKER	
2. Name: Will HERTS	-
3. Name: MARVIN LEE	-
4. Name: TRED HINES	<b>-</b> .
5. Name: - L HARIRS WILLAMS	_

HOUSE APPROPRIATIONS SUBCOMMITTEE ON CAPITAL
Name of Committee

Date

## VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Jennila Willis	Wake Crunh
Diame Reasley	Forestry
Les Hodge	KCLH O
Ebraketh Son	DENR
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Willes Ne ford	Take County Huwan Service Boa
Low Mitchell	1/
Helen Poole	11
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HOUSE APPROPRIATIONS SUBCOMMITTEE ON CAPITAL
Name of Committee

Date

## VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

## FIRM OR AGENCY AND ADDRESS

Jin McSharson	DCR-Historic Stoo
Greg Piner	DCR
Ber Matchar	NCSEA
BRALLA'L	city of Hickory
Rnoy WRIGAT	Hovery
MICH BERRY	City of Hickory
Danielle Boram	OSBM
Jennifer Wimmer	OSBM
ADAM BRUEG GEMANN	OSBM
Chris Harder	OSBM
JimLora	OSBM

HOUSE APPROPRIATIONS SUBCOMMITTEE ON CAPITAL

Name of Committee

Date

## VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Emily Kirby	NC Conservation 16 WOVE
PATRICK BUFFKIN	ALLET ASSOC INC
Charlie Smills	NC Div of Vet. Coffeins
JAMES Woodard	NCDVA
Erskine Bowles	UNC
Mark Flem	MNC
Oleffor Hectical	le estern Pano Cina Cliverie
Debauk Rous	NCALAD/ XICPHA
Land Slever	I-Melon
Cally Wingers	Gorsoffice
Kent Yellertan	Dant of Apricit ret Con Services

### House Appropriations Subcommittee on Capital June 7, 2006, 12:00 p.m. Room 643 Legislative Office Building Representative Thomas Wright, Presiding

- 1. Chairman's Opening Remarks
- 2. HB 1927 Fire Protection Funds for UNC Pembroke

Representative Yongue

3. HB 1969 Hickory Center For Engineering Tech./Funds.

Representative Hollo

4. HB 1035 Marine Technology Research Vessel Funds

Representative Wright

5. HB 2181 Revise Capital Improvement Plan.

Representative Wright

6. HB 2183 Capital Improvements Reserve Account.

Representative Wright

7. HB 2182 Funds for Capital Improvement Reserve Account.

Representative Wright

8. Staff Response to Committee Questions

Jim Klingler, Fiscal Research Division

9. Adjourn



Alexander, Avery, Burke, Caldwell, Catawba, Iredell, Lincoln, McDowell, Mitchell, Rutherford, Watauga, Wilkes

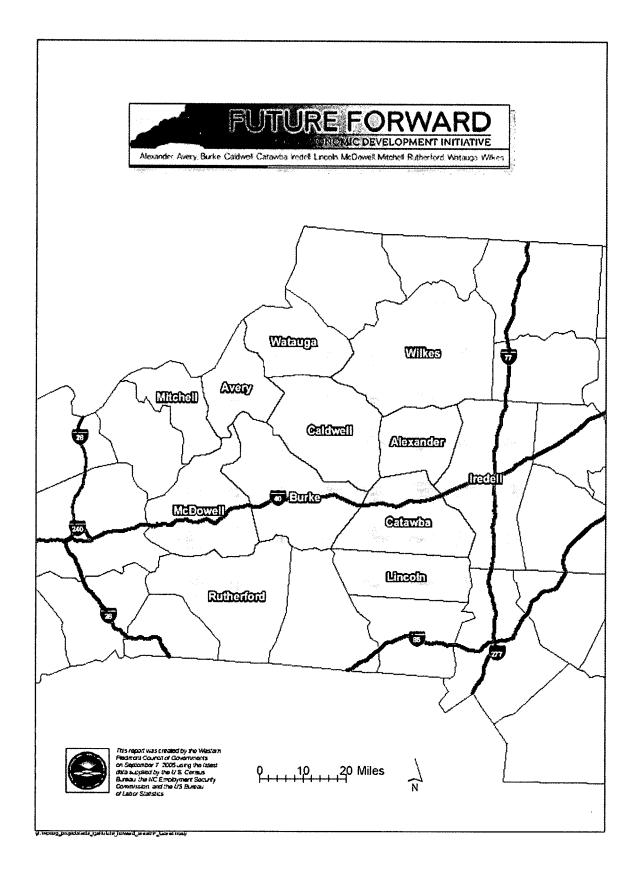
# North Carolina Center for Engineering Technologies From Concept to Reality

- Responding to a regional economic transformation, the Future Forward Economic Alliance has forged a comprehensive strategy for 12 counties in the Western Piedmont and Northwest North Carolina.
- The North Carolina Center for Engineering Technologies will become an official center for the University of North Carolina later this year. The center was approved by the UNC Board of Governors in early 2006 and educational programs will be provided by Western Carolina University, University of North Carolina at Charlotte, Appalachian State University, as well as the region's community colleges.
- Purpose is to provide workforce development through specialized technical training and degree programs in engineering, applied science and technologies, and management education.
- Regional financial support has been received from manufactures, financial institutions, local governments and individuals.
- 55,200 square foot research facility purchased by local government and industry valued at \$990,000 (\$300,000 was an in-kind gift from the former owner of the building).
- Across the region and beyond \$1.7 million dollars has been raised for the North Carolina Center for Engineering Technologies.
- The 12-county region has worked together to raise money for the center and the region requests federal and state financial support.

### Some Financial Contributors Throughout the Region and Beyond Include

City of Hickory
Catawba County
Caldwell County
Corning Cable Systems - Hickory
Caterpillar Foundation - Morganton
Neptco - Hudson
Continental Teves - Morganton
Alex Lee, Inc. - Hickory
Former Congressman Cass Ballenger

BB & T - Winston-Salem
Wachovia - Charlotte
Plastic Packaging - Hickory
Broyhill Foundation - Lenoir
Republic Services of NC - Conover
Bank of Granite - Granite Falls
Greer Laboratories - Lenoir
Hickory Springs - Hickory
Bernhardt Furniture - Lenoir



#### NORTH CAROLINA GENERAL ASSEMBLY AMENDMENT

(Please type or use ballpoint pen)

EDITION No.	
H. B. No. 1927	DATE 6/7/06
S. B. No	_ Amendment No
COMMITTEE SUBSTITUTE	(to be filled in by Principal Clerk)
Rep.)	HCole
Sen.)	
1 moves to amend the bill on page	/ 9
	•
3 by deleting the	phrase Pembroke Kural Volunte
4 Fire Departn	ent, Inc. " and substituting
5 the phrase "	phrase "Pembroke Rural Voluntee ont, Inc." and substituting Pembroke City Fire Department
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H

#### **HOUSE BILL 1927**

1

Short Title:	Fire Protection Funds for UNC Pembroke.	(Public)
Sponsors:	Representatives Yongue, Sutton, Pierce (Primary Sponsors); B. Allen.	Glazier and
Referred to:	Appropriations.	

May 15, 2006

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10 11 12 A BILL TO BE ENTITLED

AN ACT TO APPROPRIATE FUNDS TO ENSURE ADEQUATE FIRE PROTECTION SERVICES AT THE UNIVERSITY OF NORTH CAROLINA AT PEMBROKE.

The General Assembly of North Carolina enacts:

SECTION 1. There is appropriated from the General Fund to the Board of Governors of The University of North Carolina the sum of seven hundred fifty thousand dollars (\$750,000) for the 2006-2007 fiscal year. These funds shall be allocated as a grant-in-aid to the Pembroke Rural Volunteer Fire Department, Inc., and used to purchase a 100-foot aerial fire truck and equipment to ensure adequate fire protection services to the University of North Carolina at Pembroke.

**SECTION 2.** This act becomes effective July 1, 2006.

H

#### **HOUSE BILL 1967**

Short Title: Marine Tech. Research Vessel Funds. (Public)

Sponsors: Representatives Wright, McComas, Justice (Primary Sponsors); and Stiller.

Referred to: Appropriations.

May 15, 2006

A BILL TO BE ENTITLED

AN ACT TO APPROPRIATE FUNDS TO THE CAPE FEAR COMMUNITY COLLEGE FOR MARINE TECHNOLOGY RESEARCH VESSEL.

The General Assembly of North Carolina enacts:

SECTION 1. There is appropriated from the General Fund to the North Carolina Community Colleges System Office the sum of seven million dollars.

Carolina Community Colleges System Office the sum of seven million dollars (\$7,000,000) for the 2006-2007 fiscal year. These funds shall be used for replacement of the R/V Dan Moore, a 30-meter fisheries research vessel used for marine technology programs at Cape Fear Community College.

SECTION 2. This act becomes effective July 1, 2006.

H **HOUSE BILL 1969\***  1

(Public) Short Title: Hickory Ctr. for Engineering Tech./Funds. Representatives Hilton, Hollo, Setzer (Primary Sponsors); and Barnhart. Sponsors: Referred to: Appropriations.

#### May 15, 2006

A BILL TO BE ENTITLED AN ACT TO APPROPRIATE FUNDS TO THE BOARD OF GOVERNORS OF THE UNIVERSITY OF NORTH CAROLINA TO HELP ESTABLISH THE HICKORY CENTER FOR ENGINEERING TECHNOLOGY AND THE DEVELOPMENT OF

ENGINEERING TECHNOLOGY PROGRAMS TO BE OFFERED BY THE

CENTER.

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The General Assembly of North Carolina enacts:

**SECTION 1.** There is appropriated from the General Fund to the Board of Governors of The University of North Carolina the sum of one million seven hundred sixty thousand dollars (\$1,760,000) for the 2006-2007 fiscal year to help establish the Hickory Center for Engineering Technology and to support the use of two adjoining buildings in Hickory for the development of engineering technology programs. Of the funds appropriated by this act, the sum of one million one hundred thousand dollars (\$1,100,000) shall be used for nonrecurring costs, and the sum of six hundred sixty thousand dollars (\$660,000) shall be used for recurring costs.

**SECTION 2.** This act becomes effective July 1, 2006.

## 2005 PERMANENT SUBCOMMITTEE REPORT HOUSE OF REPRESENTATIVES

FOR RECOMMENDING BILLS TO STANDING COMMITTEE OR TO THE FLOOR OF THE HOUSE The following report(s) from standing committee(s) is/are presented:

By Representative(s) Wright (Chair) for the Appropriations Subcommittee on Capital.

Committee Substitute for
B 2183 A BILL TO BE ENTITLED AN ACT TO ESTABLISH THE CAPITAL
IPROVEMENTS RESERVE ACCOUNT AND TO RESERVE ONE-FOURTH OF THE
NRESERVED GENERAL FUND YEAR-END CREDIT BALANCE TO THE ACCOUNT.
ITH APPROVAL OF STANDING COMMITTEE CHAIR(S) FOR REPORT TO BE MADE
IRECTLY TO THE FLOOR OF THE HOUSE:
Representative Clary, Crawford, Earle, Nye, Owens, Sherrill (Chair) for the Standing Committee
Appropriations.
s/ C/Q July
With a favorable report.  J. W. Ciamford J.
FOR JOURNAL USE ONLY)
Pursuant to Rule 32(a), the bill/resolution is re-referred to the Committee on
·
Pursuant to Rule 36(b), the bill/resolution is placed on the Calendar of

## 2005 PERMANENT SUBCOMMITTEE REPORT HOUSE OF REPRESENTATIVES

FOR RECOMMENDING BILLS TO STANDING COMMITTEE OR TO THE FLOOR OF THE HOUSE The following report(s) from standing committee(s) is/are presented:

By Representative(s) Wright (Chair) for the Appropriations Subcommittee on Capital.

Committee Substitute for

HB 2181

A BILL TO BE ENTITLED AN ACT TO INCLUDE IN THE SIX-YEAR
CAPITAL IMPROVEMENT PLAN THE RECOMMENDED FUNDING SOURCES FOR THE
PROJECTS PROPOSED.

REPORTED TO THE STANDING COMMITTEE ON APPROPRIATIONS

#### RECOMMENDED ACTION:

⊠With a favorable recommendation .

H

#### **HOUSE BILL 2183\***

Short Title: Capital Improvements Reserve Account. (Public)

Sponsors: Representatives Crawford, Wright (Primary Sponsors); Jeffus, Luebke, and Owens.

Referred to: Rules, Calendar, and Operations of the House.

May 18, 2006

#### A BILL TO BE ENTITLED

AN ACT TO ESTABLISH THE CAPITAL IMPROVEMENTS RESERVE ACCOUNT AND TO RESERVE ONE-FOURTH OF THE UNRESERVED GENERAL FUND YEAR-END CREDIT BALANCE TO THE ACCOUNT.

The General Assembly of North Carolina enacts:

**SECTION 1.** Article 1 of Chapter 143 of the General Statutes is amended by adding a new section to read:

## "§ 143-15.3F. Capital Improvements Reserve Account.

- (a) Account and Use. The Capital Improvements Reserve Account is established as a reserve in the General Fund. The funds in the Account shall be used only for one or more of the following capital improvement projects supported from the General Fund:
  - (1) Real property acquisition.
  - (2) Construction of a new State facility.
  - (3) Expansion of an existing State facility.
  - (4) Rehabilitation of an existing State facility to accommodate a use for which the existing facility was not originally designed.
- (b) Source of Funds. The State Controller shall reserve to the Capital Improvements Reserve Account one-fourth of any unreserved credit balance. The General Assembly may appropriate additional funds to the Account.
- (c) Appropriation. Funds in the Capital Improvements Reserve Account shall be expended only by an appropriation by the General Assembly. The General Assembly shall designate the capital improvement projects to be funded from this Account in the Capital Improvements Appropriation Act or another appropriations bill."

**SECTION 2.** G.S. 143-15.2 reads as rewritten:

## "§ 143-15.2. Use of General Fund credit balance; priority uses.

(a) <u>Definition.</u>—As used in G.S. 143-15.3, 143-15.3A, and <del>143-15.3B,</del>143-15.3F, the term "unreserved credit balance" means the credit balance <del>amount, amount remaining in the General Fund at the end of a fiscal year, as determined on a cash basis, before funds are reserved by the State Controller to the Savings Reserve Account or the Repairs and Renovations Reserve</del>

## Account pursuant to G.S. 143-15.3 and G.S. 143-15.3A.in accordance with this section.

- (b) Transfers. The State Controller shall transfer funds from the unreserved credit balance to the following reserve accounts. The Controller must transfer funds to the accounts in the order listed and must satisfy the requirements set for an account before reserving any funds for the next account in the list.
  - (1) The Savings Reserve Account in accordance with G.S. 143-15.3(a).established in G.S. 143-15.3.
  - (2) The
- (e) The State Controller shall transfer funds from the unreserved credit balance to the Repairs and Renovation Reserve Account in accordance with G.S. 143-15.3A(a).established in G.S. 143-15.3A.
  - (3) The Capital Improvements Reserve Account established in G.S. 143-15.3F.
  - (d) Repealed by Session Laws 2000, ch. 67, s. 7.7(e), effective June 30, 2001.
- (e) Remaining Balance. The General Assembly may appropriate that part of the anticipated General Fund credit balance not expected to be reserved only for capital improvements or other one-time expenditures."

**SECTION 3.** G.S. 143-15.3 reads as rewritten:

## "§ 143-15.3. Use of General Fund credit balance; priority uses: Savings Reserve Account.

- (a) There is established a Savings Reserve Account as a restricted reserve in the General Fund. The State Controller shall reserve to the Savings Reserve Account one-fourth of any unreserved credit balance remaining in the General Fund at the end of each fiscal year until the account contains funds equal to five percent (5%) of the amount appropriated the preceding year for the General Fund operating budget, including local government tax-sharing funds, that were directly appropriated. In the event that the one-fourth exceeds the amount necessary to reach the five percent (5%) level, only funds necessary to reach that level shall be reserved. If there are insufficient funds in the unreserved credit balance for the Savings Reserve Account and the Repairs and Renovations Reserve Account, then the requirements of this section shall be complied with first, and any remaining funds shall be reserved to the Repairs and Renovations Reserve Account, in accordance with G.S. 143-15.3A.
- (a1) If the balance in the Savings Reserve Account falls below the five percent (5%) level during a fiscal year, the State Controller shall, in accordance with subsection (a) of this section, reserve to the Savings Reserve Account for the following fiscal years up to one-fourth of any unreserved credit balance remaining in the General Fund at the end of each fiscal year until the account again equals the five percent (5%) level set out in subsection (a) of this section.
- (a2) The transfer of funds to the Savings Reserve Account in accordance with this section or any other provision of law is not an "appropriation made by law", as that phrase is used in Article V, Section 7(1) of the North Carolina Constitution.
- (b) The Director may not use funds in the Savings Reserve Account unless the use has been approved by an act of the General Assembly."

**SECTION 4.** This act becomes effective July 1, 2006.

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## GENERAL ASSEMBLY OF NORTH CAROLINA SESSION 2005

H

#### **HOUSE BILL 2181\***

Short Title:	Revise Capital Improvement Plan.	(Public)
Sponsors:	Representatives Crawford, Wright (Primary Sponsors); and Owens.	Jeffus, Luebke,
Referred to:	Rules, Calendar, and Operations of the House.	

#### May 18, 2006

1 2

#### A BILL TO BE ENTITLED

AN ACT TO INCLUDE IN THE SIX-YEAR CAPITAL IMPROVEMENT PLAN THE RECOMMENDED FUNDING SOURCES FOR THE PROJECTS PROPOSED.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 143-34.45 reads as rewritten:

### "§ 143-34.45. Six-year capital improvement plan.

- (a) The State capital improvement plan shall address the long-term capital improvement needs of all State government agencies and shall incorporate all capital projects, however financed, proposed to meet those needs, except that transportation infrastructure projects shall be excluded. On or before December 31 of each even-numbered year, the Director of the Budget shall prepare and transmit to the General Assembly a six-year capital improvement plan. When preparing the plan, the Director of the Budget shall consider the capital improvement needs estimates submitted by State agencies as required in G.S. 143-34.44. The plan shall be prepared in two parts.
- (b) The first part of the capital improvement plan shall set forth repair and renovations requirements that, in the judgment of the Director of the Budget, must be met to protect and preserve existing capital improvement facilities. General Fund expenditure levels anticipated in this part of the plan shall be consistent with the formula establishing the repair and renovation reserve in G.S. 143-15.3A. The plan shall identify individual projects in priority order by State agency and shall specify the proposed means of financing.
- (c) The second part of the capital improvement plan shall set forth an integrated schedule for land acquisition, new construction, or rehabilitation of existing facilities that, in the judgment of the Director of the Budget, should be initiated within each year of the six-year planning period. The plan shall contain an estimated schedule for each project, along with estimates of planning, design, and construction cost. The plan shall contain all of the following for each project:

Ge	Session 2005			
1	(1)	An estimate of land acquisition and construction or	r rehabilitation	
2		costs.		
3	(2)	The proposed means of financing the project. Where	the means of	
4		financing would involve direct or indirect debt service of		
5		plan shall include a schedule of those obligations.	<del>-</del>	
6	(3)	An estimated schedule for the completion of the project.	11	
7	SEC	<b>TION 2.</b> This act is effective when it becomes law.	•	

#### House Appropriations Subcommittee on Capital

#### **Minutes**

June 8, 2006, 6:45 p.m. Room 544 Legislative Office Building

Representative Thomas Wright, Presiding

The House Appropriations Subcommittee on Capital met on Thursday, June 8, 2006 at 6:45 p.m. in Room 544 of the Legislative Office Building to review the Appropriations Subcommittee on Capital Budget Report. The following members were in attendance: Chairman Thomas Wright, Reps. West, Barnhart, Hollo, and Insko. Full Appropriation Co-Chairs Owens and Nye were also in attendance. Jim Klinger, from fiscal research and Jamilah Sabir-Calloway, committee assistant were also present. There were no Sgt-at-Arms present; this meeting was not recorded on tape.

Chairman Wright called the meeting to order and brought the Committee's attention to the "Rules for Subcommittee Procedure" handout before them (a copy of this document is attached and made part of these minutes.) Chairman Wright then called on Jim Klingler of Fiscal Research Division to present the Appropriations Subcommittee on Capital Budget Report. A copy of the budget report was distributed along with House Capital Special Provisions (dated June 8, 2006) are attached and made part of these minutes.

Mr. Klingler's presentation followed the budget report in order as listed.

#### **Department of Administration**

#### 1. Veterans Affairs Nursing Home

\$8,773,300

Provides capital funds for the design and construction of two 100-bed nursing homes to serve veterans in the State. This is a part of the Governor's budget

#### 2. Veterinary Laboratory System Study and Planning

\$1,125,000

Provides funds for the study of the veterinary laboratory system to determine needed capital improvements. Also provides capital planning funds for implementing the result of the statewide laboratory study.

#### 3. Rollins Laboratory - Bio-Security Level 2 Conversion

\$250,000

Provides funds to convert a chemistry lab in Rollins Laboratory into a Bio-Security Level 2 lab. This will allow the lab research certain infectious diseases affecting animals like the avian flu. This was part of the Senate budget requested by the department.

#### 4. Oxford Complex Planning and Design

\$1,000,000

Provides capital planning funds for property acquisition and necessary capital improvements to establish a new laboratory in Oxford. This conveys research facilities to the State for planning. This was a part of the Governor's budget.

#### 5. Tidewater Research Station Improvements

\$396,600 in timber receipts is authorized for land acquisition and capital improvements at Tidewater Research Station.

#### 6. Plan conservation Program

\$30,000 in timber receipts is authorized for land acquisitions State-wide and related activities for Plant Conservation Program.

### 7. Senator Bob Martin Eastern Agricultural Center Improvements

Provides capital funds from timber receipts for the planning and construction of two horse barns at the Eastern Agricultural Center.

#### 8. NC Ports Authority – Container Cranes

\$7,500,000

A part of the Governor's budget this provides capital for the purchase of four container cranes for the Port of Wilmington. \$9 million was appropriated last year, part of which was used by the Authority for a down payment on the four cranes. The total cost for the cranes project is \$33,244,000 and the balance will be covered by revenue bonds issued by the Authority.

#### **Department of Correction**

#### 9. Regional Medical Center and Mental Health Center

\$20,000,000

Provides capital funds for site preparation and the first phase of construction of a new 120-bed medical center and 200-bed mental health center to serve prisoners in the State prison system. The facilities will be located at Central Prison in Raleigh. Total projected cost for the construction is \$151,864,137. Governor proposed funding \$151 Million through COPs.

#### Department of Crime Control and Public Safety

#### 10. Emergency Management Operations Center

\$8,500,000

In both Governor's and Senate budget this provides capital funds for design and construction of a new Emergency Operations Center that would be located in the lower level of the proposed National Guard Readiness Center.

#### 11. Marion Transportation Center Motor Fleet Lot

\$222,700

Provides Capital funds to perform site preparation and expand the parking lot to house the Center's full fleet of trucks. Alternative locations are no longer available to them.

#### **Department of Cultural Resources**

#### 12. North Carolina History Education Center

\$3,000,000

Provides capital for planning funds (plan of 5-year needs) to design the History Education Center at Tryon Palace Historic Sites and Gardens. The total projected cost for this project is \$31,881,525. This is not in the Governor's or Senate budget.

#### 13. Palmer Memorial Institute State Historic Site Renovations

\$2,800,000

Provides capital funds for various renovation projects at the Palmer Memorial Institute State Historic Site.

#### **Department of Environment and Natural Resources**

#### 14. Water Resources Development Projects

\$20,000,000

Provides funds for the State share of Water Resources Development Projects.

#### 15. NC Zoo-Storage Shed

\$452,800

Provides capital funds for the construction of a 17,000 square foot steel shed to store supplies, equipment and construction materials that are currently stored in the open. The shed will also secure equipment and materials from theft.

#### 16. Forest Resources District 9 Headquarters

\$2,164,500

Provides capital funds for the design and construction of office workshop, storage and refrigerated facilities in Sylvia.

#### Office of State Budget and Management

#### 17 State Facilities Master Plan

\$1,000,000

Provides capital planning funds for the development of a large scale replacement of a new facilities master plan for State operations in Wake County.

#### 18. UNC-Wilmington School of Nursing

\$27,000,000

Provides capital funds for the design and construction of an 80,000 square foot building for the School of Nursing. This is in the Senate and Governor's budget.

#### 19. Elizabeth City State University Parking Lots and Street Repair

\$1,900,000

Provides capital funds for various capital improvements related to campus parking and road network. This was not in the Governor's or Senate budgets.

#### 20. NC Central University BRITE Facility

\$2,300,000

Provides capital funds to complete construction of a 59,000 square foot facility for the Biomanufacturing Research Institute and Technology Enterprise (BRITE).

#### 21. NC Central University Complete Repairs to Steam Lines

\$6,400,000

Provides capital funds for completing the replacement and repair of the steamline/tunnel systems campus wide.

#### 22. Appalachian State University College Education Building

\$1,820,000

Provides capital planning funds for the proposed construction of the College of Education Living Learning Academic Building. Total projected cost for the facility is \$35,000,000.

#### 23. Fayetteville State University Science and Technology Complex

\$1,144,000

Provides Capital planning funds for the proposed science and technology complex.

24. NC Agricultural and Technical State University General Classroom Facility\$1,040,000 Provides capital planning funds for the proposed general classroom/instructional facility.

#### 25. NC School of the Arts Library

\$1,258,400

Provides capital planning funds for the proposed new library

#### 26. NC State Engineering Complex III

\$5,280,303

Provides capital planning design funds for the third phase of relocating the School of Engineering to Centennial Campus.

#### 27. NC State Veterinary Hospital

\$7,000,000

Provides capital planning funds for the design of the Randall B. Terry Companion Animal Veterinary Medical Center.

#### 28. NC-Asheville Rhodes Hall Rehabilitation

\$416,000

Provides capital planning funds for the rehabilitation of Rhodes Hall to serve the needs of the environmental science, computer science, and engineering programs.

#### 29. UNC-Chapel Hill Genomics Science Building

\$10,313,988

Provides capital planning funds for the design of a Genomics Science Building in the Science Complex South.

#### 30. UNC-Charlotte Center City Classroom Building

\$3,392,100

Provides capital planning funds for the design of a 150,000 square foot classroom building to house graduate and professional programs.

#### 31. UNC-Greensboro Academic Classroom and Office Building

\$2,279,028

Provides capital planning funds for the proposed new general classroom and office building.

#### 32. UNC - Pembroke Residence Hall

\$1,040,000

Provides capital planning funds for a proposed 360 bed residence hall.

33. Western Carolina University School of Health / Gerontology Building

\$2,402,661

#### 34. Winston Salem State University Student Activities Center

\$768,225

Provides capital planning funds for a proposed new student activities center.

#### 35. Dental Schools Planning

\$7,000,000

Provides capital planning funds for the expansion of the School for Dentistry at UNC-Chapel Hill and the establishment of a School of Dentistry at East Carolina University.

Upon completion of the Capital Budget Report, Mr. Klingler reviewed some of the Special Provisions as listed in the June 8, 2006 document. Following Mr. Klingler's overview and some committee discussion, Chairman Wright asked for a motion on the report. Rep. Nye moved that the House Appropriations Subcommittee on Capital Budget Report be adopted. The motion carried and was reported as such.

The meeting was adjourned.

Representative Thomas Wright, Chairman

Jamilah Sabir-Calloway, Committee Assistant

## HOUSE APPROPRIATIONS SUBCOMMITTEE ON CAPITAL

#### ATTENDANCE SHEET

DATES		92	90	2	2	9	90					
	, 200	, 200	, 200	2000	2004	2000	3, 200					
	May 17, 2006	May 24, 2006	May 31, 2006	June 1, 2006	June 7, 2006	June 8, 2006	June 28, 2006					
Thomas Wright (Chairman)	X	X	X	X	X	X	X					
Howard Hunter (Vice-Chair)												
Roger West (Vice-Chair)	X	X	X	X	X		X					
Alma Adams	X		X				X					
Jeff Barnhart			X			X						
Nelson Cole	X	X	X		X							
Phillip Haire	X	X	X	X	X		X					
Mark Hollo	X	X	X	X	X	X	X					
Verla Insko	X	X	X			X						
Joe Kiser	X	X	X									
Edgar Starnes			X				X					
Douglas Yongue							X					
Rep. Sherrill	X											
Rep. Ross	X											
Bill Owens						X						
Edd <b>Nye</b>						X						
Staff												
Jim Klingler	X	X	X	X	X	X						
Phyllis Pickett							X					
Committee Assistant												
Jamilah Sabir-Calloway	X	X	X	X	X	X						
Jackie Hamby							X					

House Appropriations Subcommittee on Capital Thursday, June 8, 2006, 6:45 p.m. Room 544 Legislative Office Building Representative Thomas Wright, Presiding

## **AGENDA**

- 1. Opening Remarks, Chairman Wright
- 2. Presentation of Appropriations Subcommittee on Capital Budget Report Jim Klingler, Fiscal Research
- 3. Adjourn

## North Carolina House of Representatives Appropriations Committee

#### RULES FOR SUBCOMMITTEE PROCEDURE

June 8, 2006

The following rules govern the eligibility of amendments to subcommittee reports:

- 1. Amendments must be offered by formal amendments.
- 2. Amendments cannot increase total spending within the draft subcommittee report presented by the subcommittee chairs.
- 3. Amendments can only affect appropriations within the departments, agencies, or programs within the jurisdiction of the subcommittee.
- 4. Amendments cannot spend reversions.
- 5. Nonrecurring reductions cannot be used to fund recurring items.
- 6. Amendments cannot change substantive policy or law.

House Committee on Appropriations

# G= Governor S= Senate

## Capital

**GENERAL FUND** 

#### Department of Administration

#### 1 Veterans Affairs Nursing Homes

Provides capital funds for the design and construction of two 100-bed nursing homes to serve veterans in the State. One home will be sited in the eastern part of the State and one home in the west. The specific sites for these homes have not been selected. The State currently has two VA nursing homes in Fayetteville and Salisbury. These funds provide a 35% required match to secure federal grant funding. The total cost for constructing these facilities is \$24,438,096.

\$8,773,300 NR

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#### **Department of Agriculture and Consumer Services**

#### 2 Veterinary Laboratory System Study and Planning

Provides funds for the study of the veterinary laboratory system to determine needed capital improvements. Also provides capital planning funds for implementing the result of the statewide laboratory study. Two stated goals of the study are to determine the facilities necessary to meet the quality assurance program standards for the American Association of Veterinary Laboratory Diagnosticians and to expand the lab system's ability to address bio-security threats in the animal population.

\$1,250,000 NR

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#### 3 Rollins Laboratory - Bio-Security Level 2 Conversion

Provides capital funds to convert a chemistry lab in Rollins Laboratory into a Bio-Security Level 2 lab. This conversion will allow Rollins Laboratory to securely handle certain infectious diseases affecting animals.

\$250,000 NR

5

\$1,000,000 NR

#### 4 Oxford Complex Planning and Design

Provides capital planning funds for property acquisition and necessary capital improvements to establish a new laboratory in Oxford. The U.S. Department of Agriculture has proposed conveying a tobacco research facility to the State for the purpose of establishing the lab. The future purpose of the facility would be to develop a public research laboratory, potentially for avian flu research. DA&CS will also explore the potential for establishing a biotechnology incubator at this lab facility. The proposed facility would also provide a permanent home for the State's Insect Laboratory, currently located in Cary.

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#### 5 Tidewater Research Station Improvements

Provides capital funds from timber receipts for land acquisition and capital improvements at the Tidewater Research Station. \$396,600 in timber receipts is authorized for this purpose.

S

#### 6 Plant Conservation Program

Provides capital funds from timber receipts for land acquisitions and related activities for the Plant Conservation Program. Authorized uses also include a study of the Program's management of conservation preserves. \$30,000 in timber receipts is authorized for this purpose.

G

FY 07-08

#### 7 Senator Bob Martin Eastern Agricultural Center Improvements

Provides capital funds from timber receipts for the planning and construction of two horse barns at the Eastern Agricultural Center.

#### **Department of Commerce**

#### 8 NC Ports Authority - Container Cranes

Provides capital funds for the purchase of four container cranes for the Port of Wilmington. The General Assembly appropriated \$9 million to the Authority in FY 2005-06, part of which was used by the Authority for a down payment on the four cranes. The cranes are anticipated to be delivered to the Port of Wilmington in December 2006. The total cost for the cranes project is \$33,244,000 and the balance will be covered by revenue bonds issued by the Authority.

#### **Department of Correction**

#### 9 Regional Medical Center and Mental Health Center

Provides capital funds for site preparation and the first phase of construction of a new 120-bed medical center and 200-bed mental health center to serve prisoners in the State prison system. The facilities will be located at Central Prison in Raleigh. Total projected cost for the construction of the medical and mental health centers is \$151,864,137.

#### Department of Crime Control and Public Safety

#### 10 Emergency Management Operations Center

Provides capital funds for the design and construction of a new Emergency Operations Center that would be located in the lower level of the proposed National Guard Readiness Center. The Readiness Center received federal funds in FFY 2005-06 for planning and design. The National Guard expects to secure federal construction grants in FFY 2006-07 to complete the \$30 million project. The Emergency Operations Center would consolidate most Raleigh-based Division of Emergency Management personnel in one building

#### 11 Marion Transportation Center Motor Fleet Lot

Provides capital funds to perform site preparation and expand the parking lot to house the Center's full fleet of trucks. Currently, the Center stores part of its motor fleet at a Department of Correction facility. The National Guard will soon lose access to the Department of Correction's property.

#### **Department of Cultural Resources**

#### 12 North Carolina History Education Center

Provides capital planning funds to design the History Education Center at Tryon Palace Historic Sites and Gardens. The total projected cost for this project is \$31,881,525.

\$7,500,000

G

\$20,000,000

NR

G=\$151M

\$8,500,000 NR

G/3

\$222,700 NR

G

\$3,000,000

NR

FY 07-08\_\_

#### 13 Palmer Memorial Institute State Historic Site Renovations

Provides capital funds for various renovation projects at the Palmer Memorial Institute State Historic Site. The projects are as follows:

\$2,800,000

\$1,400,000 - Kimball Hall

\$800,000 - Charlotte Hawkins Brown Museum and Carrie M. Stone Teachers' Cottage

\$600,000 - Massachusetts Congregational Women's House

#### Department of Environment and Natural Resources

#### 14 Water Resources Development Projects

Provides funds for the state share of Water Resources Development Projects. Projects are specified in a special provision.

#### 15 NC Zoo - Storage Shed

Provides capital funds for the construction of a 17,000 square foot steel shed to store supplies, equipment, and construction materials that are currently stored in the open. The shed will also secure equipment and materials from theft.

#### 16 Forest Resources District 9 Headquarters

Provides capital funds for the design and construction of office, workshop, storage, and refrigerated facilities in Sylva.

#### Office of State Budget and Management

#### 17 State Facilities Master Plan

Provides capital planning funds for the development of a new facilities master plan for State operations in Wake County. To the extent that funds are available, the scope of the master plan may be extended to State operations outside of Wake County.

#### **UNC System - Board of Governors**

#### 18 UNC-Wilmington School of Nursing

Provides capital funds for the design and construction of an 80,000 square foot building for the School of Nursing. The General Assembly appropriated \$500,000 in FY 2004-05 and \$2,600,000 in FY 2005-06 for planning.

#### 19 Elizabeth City State University Parking Lots and Street Repair

Provides capital funds for various capital improvements related to campus parking and road network.

#### 20 NC Central University BRITE Facility

Provides capital funds to complete construction of a 59,000 square foot facility for the Biomanufacturing Research Institute and Technology Enterprise (BRITE). The total projected cost of the facility is \$19,500,000 and the balance has been funded by the NC Golden Leaf Fund.

G= \$18.5M S

\$452,800 NR

G

\$2,164,500 NR

G

\$1,000,000 NR

\$27,000,000 NR

S

\$1,900,000

\$2,300,000 NR

House Committee on Appropriations	FY 07-08
21 NC Central University Complete Repairs to Steam Lines Provides capital funds for completing the replacement and repair of the steamline/tunnel system campus wide.	\$6,400,000 NR
22 Appalachian State University College of Education Building Provides capital planning funds for the proposed construction of the College of Education Living Learning Academic Building. Total projected cost for the facility is \$35,000,000	\$1,820,000 NR
23 Fayetteville State University Science and Technology Complex Provides capital planning funds for the proposed science and technology complex. The complex would include laboratory, instruction, research, and office space. The total projected cost for the complex is \$22,000,000	\$1,144,000 <b>NR</b>
24 NC Agricultural and Technical State University General Classroom Facility Provides capital planning funds for the proposed general classroom/instructional facility. Total projected cost for the facility is \$20,000,000.	\$1,040,000 NR
25 NC School of the Arts Library  Provides capital planning funds for the proposed new library. The total projected cost for the facility is \$24,200,000.	\$1,258,400 NR
Provides capital planning funds for the design of the third phase of relocating the School of Engineering to Centennial Campus. The 166,700 square foot facility would house the Departments of Mechanical and Aerospace Engineering and Biomedical Engineering. Total cost for this project is \$69.7 million. The General Assembly appropriated \$8.7 million to this project in FY 2005-06.	\$5,280,303 NR 5= \$61 M
Provides capital planning funds for the design of the Randall B. Terry Companion Animal Veterinary Medical Center. The total cost for the facility is \$68 million with \$34 million proposed to be funded with private donations. In addition to the \$7 million in planning funds for FY 2006-07, the construction of the facility will require an additional \$27 million in State funds.	\$7,000,000 NR
28 UNC-Asheville Rhodes Hall Rehabilitation Provides capital planning funds for the rehabilitation of Rhodes Hall to serve the needs of the environmental science, computer science, and engineering programs. The total projected cost for the improvements is \$8,000,000.	\$416,000 NR
29 UNC-Chapel Hill Genomics Science Building Provides capital planning funds for the design of a Genomics Science Building in the Science Complex South. The 210,000 square foot facility has an estimated total cost of \$145,000,000.	\$10,313,988 NR

30 UNC-Charlotte Center City Classroom Building

Provides capital planning funds for the design of a 150,000 square foot classroom building to house graduate and professional programs. Belk College of Business, the College of Architecture, and Lee College of Engineering would move to this center city facility. The total projected cost for this facility is \$45,827,400.

\$3,392,100 NR

S= \$45.8 M

31 UNC-Greensboro Academic Classroom and Office Building

Provides capital planning funds for the proposed new general classroom and office building. Total projected cost for the facility is \$43.827,470.

\$2,279,028 NR

32 UNC-Pembroke Residence Hall

Provides capital planning funds for a proposed 360 bed residence hall. The projected cost for the facility is \$30,000,000.

\$1,040,000 NR

33 Western Carolina University School of Health/Gerontology Building

Provides capital planning funds for the School of Health and Gerontological Science building at WCU. The total projected cost for this project is \$46,200,000.

\$2,402,661 NR

34 Winston Salem State University Student Activities Center

Provides capital planning funds for a proposed new student activities center. Total projected cost for this facility is \$14,773,560. Amount of receipts available to offset the cost of construction is not known at this time.

\$768,225 NR

35 Dental Schools Planning

Provides capital planning funds for the expansion of the School of Dentistry at UNC-Chapel Hill and the establishment of a School of Dentistry at East Carolina University.

\$7,000,000

NR

S

**Total Appropriation to Capital** 

\$159,668,005 NR

G= \$ 329, 453, 300 S= \$ 253, 321, 361

# House Capital Special Provisions June 8, 2006

## GENERAL ASSEMBLY OF NORTH CAROLINA SESSION 2006

# DRAFT

**SPECIAL PROVISION** 



2006-CAP-H7(S23.1)

## Capital and Budget House Only

	Requested by: Representative	
1	CAPITAL APPROPRIATIONS/GENERAL FUND	
2	<b>SECTION 23.1.</b> There is appropriated from the General	l Fund for the
3	2006-2007 fiscal year the following amounts for capital improvements:	
4		
5	Capital Improvements – General Fund	2006-2007
6		
7	Department of Administration	
8	Veterans Affairs Nursing Home	\$8,773,300
9		
10	Department of Agriculture and Consumer Services	
11	Veterinary Laboratory System Study and Planning Funds	1,250,000
12	Rollins Laboratory – Bio Security Level 2 Lab Conversion	250,000
13	Oxford Complex Planning and Design Funds	1,000,000
14		
15	Department of Commerce	
16	NC Ports Authority Container Cranes	7,500,000
17		
18	Department of Correction	
19	Regional Medical Center and Mental Health Center	20,000,000
20		
21	Department of Crime Control and Public Safety	
22	Emergency Management Operations Center	8,500,000
23	Marion Transportation Center Motor Fleet Lot	222,700
24		
25	Department of Cultural Resources	
26	North Carolina History Education Center Planning Funds	3,000,000
27	Palmer Memorial Institute State Historic Site Renovations	2,800,000
28		
29	Department of Environment and Natural Resources	
30	Water Resources Development Projects	20,000,000
31	NC Zoo Storage Shed	452,800
32	Forest Resources District 9 Headquarters	2,164,500
33	•	
34	Office of State Budget and Management	
35	State Facilities Master Plan	1,000,000
36		

1 2 3	University of North Carolina System University of North Carolina at Wilmington – School of Nursing	27,000,000
4 5 6 7	Appalachian State University College of Education Building Planning Funds	1,820,000
8 9 10	Elizabeth City State University Parking Lots and Street Repair Planning Funds	1,900,000
11 12 13	Fayetteville State University Science and Technology Complex Planning Funds	1,144,000
14 15 16	North Carolina Agricultural and Technical State University General Classroom Facility Planning Funds	1,040,000
17 18 19 20	North Carolina Central University Biomanufacturing Research Institute and Technology Enterprise (BRITE) Repairs to Steam Lines Planning Funds	2,300,000 6,400,000
21 22 23	North Carolina School of the Arts Library Planning Funds	1,258,400
24 25 26	North Carolina State University Engineering Complex III Planning and Design Funds Veterinary Hospital Planning Funds	5,280,303 7,000,000
27 28 29 30	University of North Carolina at Asheville Rhodes Hall Renovation Planning Funds	416,000
31 32 33	University of North Carolina at Chapel Hill Genomics Science Building Planning and Design Funds	10,313,988
34 35 36	University of North Carolina at Charlotte Center City Classroom Building Planning and Design Funds	3,392,100
37 38 39	University of North Carolina at Greensboro Academic Classroom and Office Building Planning Funds	2,279,028
40 41 42	University of North Carolina at Pembroke Residence Hall Planning Funds	1,040,000
43 44 45	Western Carolina University School of Health and Gerontological Building Planning Funds	2,402,661
46	Winston Salem State University Student Activities Center	
	2006-CAP-H7(S23.1) [v1], LR, Modified 6/5/06 12:27 PM	Page 2

1	Planning Funds	768,225
2		• •
3	Dental Schools Study, Planning, and Design Funds	7,000,000
4		
5	TOTAL CAPITAL IMPROVEMENTS – GENERAL FUND	\$159,668,005

#### GENERAL ASSEMBLY OF NORTH CAROLINA

#### **SESSION 2006**

# DRAFT SPECIAL PROVISION



2006-CAP-H1(S23.2)i

### Capital and Budget House Only

Requested by: Representative

1	WATER	RESOURCES DEVELOPMENT PROJECT FUNDS	
2		SECTION 23.2.(a) The Department of Environment and 1	Natural Resources
3	shall allo	cate the funds appropriated in this act for water resources dev	elopment projects
4	to the fol	lowing projects whose costs are as indicated:	
5		Name of Project	2006-2007
6	(1)	Wilmington Harbor Deepening	\$ 5,275,000
7	(2)	Morehead City Harbor Sand Management	1,200,000
8	(3)	Manteo (Shallowbag) Bay Channel Maintenance	-
9	(4)	Wilmington Harbor Maintenance Dredging	-
10	(5)	Morehead City Harbor Maintenance Dredging	0
11	(6)	Carolina Beach Renourishment	1,125,000
12	(7)	Carolina Beach Renourishment (Kure Beach)	681,000
13	(8)	Brunswick County Beaches Study	0
14	(9)	Ocean Isle Beach Renourishment (Brunswick County)	435,000
15	(10)	Beaufort Harbor Maintenance Dredging	300,000
16	(11)	B. Everett Jordan Reservoir Water Supply Storage	100,000
17	(12)	Aquatic Weed Control – Lake Gaston and Statewide	400,000
18	(13)	Waterway Connecting Pamlico Sound to Beaufort Harbor (C	Carteret) 400,000
19	(14)	John H. Kerr Reservoir Operations Evaluation	188,000
20	(15)	Currituck Sound Water Management Study	386,000
21	(16)	Surf City / North Topsail Beach Protection Study	-
22	(17)	West Onslow Beach (Topsail) Study (Pender County)	85,000
23	(18)	Hurricane Stream Restoration – Western NC (Phase II)	2,000,000
24	(19)	Hurricane Isabel Emergency Management	
25		Stream Cleanup (Phase III)	850,000
26	(20)	Bogue Banks Shore Protection Study (Carteret County)	-
27	(21)	Neuse River Basin Study	280,000
28	(22)	Beach and Inlet Management Study	500,000
29	(23)	Dredging Contingency Fund	2,295,000
30	(24)	Topsail Beach Renourishment	500,000
31	(24)	State – Local Projects	3,000,000
32		TOTALS	\$ 20,000,000
33		SECTION 23.2.(b) Where the actual costs are different fi	
34		der subsection (a) of this section, the Department may adju	
35	among pr	rojects as needed. If any projects funded under subsection (a)	of this section are

delayed and the budgeted State funds cannot be used during the 2006-2007 fiscal year,



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or if the projects funded under subsection (a) of this section are accomplished at a lower 1 2 cost, the Department may use the resulting fund availability to fund any of the 3 following: 4 (1) U.S. Army Corps of Engineers project feasibility studies. 5 (2) U.S. Army Corps of Engineers projects whose schedules have 6 advanced and require State-matching funds in fiscal year 2006-2007. 7 State-local water resources development projects. Funds not expended or encumbered for these purposes shall revert to the 8 General Fund at the end of the 2007-2008 fiscal year. 9 SECTION 23.2.(c) The Department shall make semiannual reports on the 10 11

**SECTION 23.2.(c)** The Department shall make semiannual reports on the use of these funds to the Joint Legislative Commission on Governmental Operations, the Fiscal Research Division, and the Office of State Budget and Management. Each report shall include all of the following:

(1) All projects listed in this section.

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- (2) The estimated cost of each project.
- (3) The date that work on each project began or is expected to begin.
- (4) The date that work on each project was completed or is expected to be completed.
- (5) The actual cost of each project.

The semiannual reports shall also show those projects advanced in schedule, those projects delayed in schedule, and an estimate of the amount of funds expected to revert to the General Fund.

## GENERAL ASSEMBLY OF NORTH CAROLINA

#### **SESSION 2006**

### DRAFT SPECIAL PROVISION



2006-CAP-H2(S23.3)i

#### Capital and Budget House Only

Requested by: Representative

#### REPAIRS AND RENOVATIONS RESERVE ALLOCATION

SECTION 23.3.(a) Of the funds in the Reserve for Repairs and Renovations for the 2006-2007 fiscal year, forty-six percent (46%) shall be allocated to the Board of Governors of The University of North Carolina for repairs and renovations pursuant to G.S. 143-15.3A, in accordance with guidelines developed in The University of North Carolina Funding Allocation Model for Reserve for Repairs and Renovations, as approved by the Board of Governors of The University of North Carolina, and fifty-four percent (54%) shall be allocated to the Office of State Budget and Management for repairs and renovations pursuant to G.S. 143-15.3A.

Notwithstanding G.S. 143-15.3A, the Board of Governors may allocate funds for the repair and renovation of facilities not supported from the General Fund if the Board determines that sufficient funds are not available from other sources and that conditions warrant General Fund assistance. Any such finding shall be included in the Board's submission to the Joint Legislative Commission on Governmental Operations on the proposed allocation of funds.

The Board of Governors and the Office of State Budget and Management shall consult with the Joint Legislative Commission on Governmental Operations prior to the allocation or reallocation of these funds.

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# GENERAL ASSEMBLY OF NORTH CAROLINA

#### **SESSION 2006**

# FISCAL RESEARCH DRAFT SPECIAL PROVISION



2006-CAP-FRD-H9

### Capital and Budget House Only

Requested by: Representative

#### STATE FACILITIES MASTER PLAN

**SECTION** #. Of the funds appropriated to the Office of State Budget and Management, up to one million dollars (\$1,000,000) shall be used to contract with a consultant for the development of a new master plan for State facilities. In developing the master plan, the consultant shall address the following as it relates to State operations in Wake County:

- (1) Inventory existing State real property, including land, buildings, and land allocations to State agencies
  - (2) Inventory lease space occupied by State agencies
  - (3) Survey State agencies capital improvement needs, including the State's Six-Year Capital Improvement Plan
  - (4) Project the growth in personnel needed to support State operations
  - (5) Analyze State agencies' existing facilities and requested capital improvements against program missions, goals, and operations
  - (6) Recommend a facilities master plan for State operations that meets the facilities needs of State agencies and makes efficient use of State land and buildings
  - (7) Recommend State agency operations that should be relocated from the City of Raleigh to achieve subsection (a)(6) of this section
  - (8) Recommend a transit plan for State operations that may include the use of parking structures, public transit, and park and ride facilities.
  - (9) Recommend an implementation plan for the facilities master plan. The implementation plan shall include the sequencing of proposed capital improvement projects and a proposal for financing the facilities master plan. The implementation plan shall be consistent with capital planning efforts in the Office of State Budget and Management.

**SECTION** #. If funds authorized in subsection (a) of the section are sufficient, the Office of State Budget and Management shall expand the scope of the facilities master plan to include State operations outside of Wake County.

**SECTION** #. The Office of State Budget and Management shall deliver the facilities master plan to Joint Legislative Oversight Committee on Capital by October 1, 2007.

## GENERAL ASSEMBLY OF NORTH CAROLINA SESSION 2006

# DRAFT SPECIAL PROVISION



2006-CAP-H10

#### Capital and Budget House Only

Requested by: Representative

#### UNC-CH/ECU DENTAL SCHOOLS

SECTION #.(a) Of the funds appropriated by this act to the Board of Governors of The University of North Carolina for the 2006-2007 fiscal year the sum of seven million dollars (\$7,000,000) shall be used as follows: (i) to complete the plan and design for expanding the School of Dentistry at the University of North Carolina at Chapel Hill, (ii) to conduct a study regarding the feasibility of establishing a School of Dentistry at East Carolina University and the impact that the School would have on the other dental programs provided by The University of North Carolina, and (iii) if the Board of Governors determines that it is appropriate to establish a School of Dentistry at East Carolina University based on the findings and recommendations of the feasibility study, to provide advance planning funds to East Carolina University for the capital improvements needed to establish a new dental school. The funds allocated by this section to East Carolina University shall be held in reserve by the Board of Governors and shall be allocated to East Carolina University only if the Board of Governors decides that it is appropriate to establish a School of Dentistry at that University.

SECTION #.(b) The Board of Governors may contract with a private consultant to conduct the feasibility study required by subsection (a) of this section.

## House Appropriations Subcommittee on Capital

#### **Minutes**

June 28, 2006, 12:00 p.m. Room 643 Legislative Office Building

Representative Thomas Wright, Presiding

The House Appropriations Subcommittee on Capital met on Wednesday, June 7, 2006 at 12:00 noon in Room 643 of the Legislative Office Building. The following members were in attendance: Chairman Thomas Wright, Reps. West, Adams, Haire, Hollo, Starnes, and Yongue. Also present were Phyllis Picket from Bill Drafting and Jackie Hamby of the House Legislative Assistants office who filled in for Jamilah Sabir-Calloway committee assistant. A list of visitors in attendance and an agenda are attached and made part of these minutes.

Chairman Wright called the meeting to order and introduced the House Pages and Sgt-At-Arms as listed on the attached roster. Without objection the Chair declared a quorum. Phyllis Pickett of Bill Drafting Division was called to fill in for Jim Klinger of Fiscal Research. Mr. Klingler was at the service of another House committee. Chairman Wright recognized Senator Kerr as Sponsor of SB 1809.

Chairman Wright called on Mr. Rob Nelson, UNC-system vice president for finance to provide an overview of SB 1809, University Indebtedness Projects which speaks to UNC Capital Improvement Projects. There are 27 projects on ten different campuses and 14 supplements to previously approved projects on seven campuses. These projects have been approved on the campuses by the Chancellors and Board of Trustees, the President and the Board of Governors. The total package is \$529 million. \$431.6 of that are new projects and \$97.4 million is for supplements. There is no General Fund money involved with these construction projects. 7% of the monies come from gifts and grants, 74% come from auxiliary-type operations such as housing and parking and 19% come from student approved by individual project debt service fees. These fees are also approved by the Board of Governors. They also go through a student involvement process at the campus level and they are validated at that part of the process. We are asking for supplements for some pre-approved projects because of the construction market we have been in. We have seen bids coming in between 15%-20% higher than what our original estimates were (which were done about two years ago.) Historically the university has paid about 60% of its projects from the General Fund with about 40% of the monies coming from non general fund sources. The academic part of the university comes under the General Fund and then the auxiliary student operations, recreation and athletics comes from fees and other receipts. Mr. Nelson elaborated on several of the projects that needed to be added to the bill. In answer to a question from the Chair, Mr. Nelson stated that this bill passed during the 2004 session. They took all of the projects listed in this bill to the Board of Governors. There is a State law that deals with the issue of indebtedness that states that the General Assembly can authorize projects like these and they can be funded from Certificates of Participation (COPs.) Those are instruments of indebtedness that are issued by the State and they funded from a designated sources of revenue. We worked with the State Budget Office the Department of Administration and State Treasurers office to talk about 10 university projects. These agencies made a recommendation to the Council of State (March 05) to move ahead with these projects. The Council of State decided that the four projects included in this bill were not well enough defined to go out in the market place and issue indebtedness. They asked UNC's finance department to pursue solidifying the language and

making it more specific. One of those projects you handled last session. The Council did not want to use long-term indebtedness for a project that did not have a definite purpose. The Department worked with the other four campuses to better define this language which is the language included in this bill. After the 2004 session these projects were approved by the Board. They approved planning for them from these funds which we have still not received, and then the Finance Committee and Public Affairs Committee which looks at all governance and legislative issues, both have approved this language to tighten up the definition so that we can proceed with the project.

Following Mr. Nelson's overview and some committee discussion, Chairman Wright asked for a motion on the bill. Representative Haire moved to give the House Committee Substitute for SB 1809, University Indebtedness Projects be given a favorable report, unfavorable to the original bill. The motion carried. The bill was reported as such.

The meeting was adjourned.

Representative Thomas Wright, Chairman

Jamilah Sabir-Galloway, Committee Assistant

## HOUSE APPROPRIATIONS SUBCOMMITTEE ON CAPITAL

## ATTENDANCE SHEET

DATES	T	]					T	T				1
	May 17, 2006	May 24, 2006	May 31, 2006	900;	900:	900;	June 28, 2006					
	y 17,	y 24,	y 31,	June 1, 2006	June 7, 2006	June 8, 2006	e 28,					
	Ma	Ma	Ma	Jun	Jun	Jun	Jun					
Thomas Wright (Chairman)	X	X	X	X	X	X	X					E
Howard Hunter (Vice-Chair)												
Roger West (Vice-Chair)	X	X	X	X	X		X					
Alma Adams	X		X				X					
Jeff Barnhart			X			X						
Nelson Cole	X	X	X		X							
Phillip Haire	X	X	X	X	X		X					
Mark Hollo	X	X	X	X	X	X	X					
Verla Insko	X	X	X			X						
Joe Kiser	X	X	X									
Edgar Starnes			X				X					
Douglas Yongue							X					
Rep. Sherrill	X											
Rep. Ross	X											
Bill Owens						X		<u> </u>				
Edd <b>Nye</b>						X						
Staff												
Jim Klingler	X	X	X	X	X	X						
Phyllis Pickett							X					
Committee Assistant												
Jamilah Sabir-Calloway	X	X	X	X	X	X						
Jackie Hamby							X					
		<u> </u>		L			<u> </u>	L		<u> </u>	<u> </u>	<u> </u>

# HOUSE APPROPRIATIONS SUBCOMMITTEE ON CAPITAL

## ATTENDANCE SHEET

DATES		T	1	T -		<del></del>		<del></del>	Τ-		<u> </u>	<del>-   -  </del>
	2006	2006	2006	900	900	900	2006					
	May 17, 2006	May 24, 2006	May 31, 2006	June 1, 2006	June 7, 2006	June 8, 2006	June 28, 2006					
Thomas Wright (Chairman)	X	X	X	X	X	X	l				ļ	
Howard Hunter (Vice-Chair)					-	1	-			<u> </u>		
Roger West (Vice-Chair)	X	X	X	X	X	<u> </u>						
Alma Adams	X		X				1				-	-
Jeff Barnhart			X			X			+-			
Nelson Cole	X	X	X		X		$ _{\mathcal{A}}$					
Phillip Haire	X	X	X	X	X		/					+-
Mark Hollo	X	X	X	X	X	X	~				-	<del>                                     </del>
Verla Insko	X	X	X		ļ	X	A					
Joe Kiser	X	X	X				A					<u> </u>
Edgar Starnes			X				V		<del> </del>			
Douglas Yongue							/			-		-
Rep. Sherrill	X											
Rep. Ross	ļ						A			ļ		
Bill Owens	X						A		ļ			
			·			X	A					
Edd Nye						X	A					
Staff Phyllis Pickett												
Jim Klingler	X	X	X	X	X.	X	A					
Committee Assistant										<del>                                     </del>		
Jamilah Sabir-Calloway	X	X	X	X	X	X	A		<del> </del>	<del> </del>		
JACKIE HAMBY												
									<del> </del>			

# House Pages

Name Of Committee: Date:
1. Name: Robert (quillet
County: 10 KR
Sponsor: Dong //ngye
2. Name: Mary Beth Mierman
County: FOrsyth
Sponsor: Folmell
3. Name: Mary Stewart Kobins
County: Forsyth
Sponsor: FOLWELL
4. Name: Ryan Criffin
County: Cacical de la company
Sponsor: Jean Jestin
5. Name:
County:
Sponsor:
Sgt-At-Arms  7.0 = 0.11 \tag{1.5}
1. Name: FRED HINES 2. Name: SAMES WORTH
3. Name: MARTHA 6-AOISOAI  FOOI COSEO
4. Name: <u>EARL CORER</u> .
5. Name: MARVIN LEE

## -VISITOR REGISTRATION SHEET-----

# HOUSE APPROPRIATIONS SUBCOMMITTEE ON CAPITAL Name of Committee Date

## VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

**NAME** 

#### FIRM OR AGENCY AND ADDRESS

•	Kevin Fold Genals	UNC-CH.
	Gaylobertson	AP
	Coletaylor	Governor's Office.
	Kara Millonzi	Institute of Government
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_	John Mc Asy	Gov of the E
_	Hace In	UBS

### **VISITOR REGISTRATION SHEET**

HOUSE APPROPRIATIONS SUBCOMMITTEE ON CAPITAL

Name of Committee

Date

## VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

**NAME** 

### FIRM OR AGENCY AND ADDRESS

Mark Lanier	UNCW	
Mark Clam	worle for	Mark Laurer
Chris Harder	OSBM	
Jennifer Winner	OSBM	
ADAM Bruggemann	OSBM	
JIMLORA	OSBM	
SPEROX FLEGGAS	DOA	
KEVIN M'LANGININ	TOOA	-
Mark Trawick	Den Beam Intern	

House Appropriations Subcommittee on Capital June 28, 2006, 12:00 p.m. Room 643 Legislative Office Building Representative Thomas Wright, Presiding

# **AGENDA**

- 1. Opening Remarks, Chairman Wright
- 2. The following bill will be considered:

SB 1809 University Indebtedness Projects. (Sen. Kerr)

3. Adjourn

#### 2005 PERMANENT SUBCOMMITTEE REPORT HOUSE OF REPRESENTATIVES

FOR RECOMMENDING BILLS TO STANDING COMMITTEE OR TO THE FLOOR OF THE HOUSE The following report(s) from standing committee(s) is/are presented:

By Representative(s) Wright (Chair) for the Appropriations Subcommittee on Capital.

⊠ Senate Committee Substitute for

SB 1809 A BILL TO BE ENTITLED AN ACT TO AUTHORIZE THE CONSTRUCTION AND THE FINANCING, WITHOUT APPROPRIATIONS FROM THE GENERAL FUND, OF CERTAIN CAPITAL IMPROVEMENTS PROJECTS OF THE CONSTITUENT INSTITUTIONS OF THE UNIVERSITY OF NORTH CAROLINA AND TO MAKE REVISIONS TO PREVIOUSLY AUTHORIZED INDEBTEDNESS FOR VARIOUS CAPITAL IMPROVEMENTS PROJECTS OF THE CONSTITUENT INSTITUTIONS OF THE UNIVERSITY OF NORTH CAROLINA

AUTHORIZED INDEBTEDNESS FOR VARIOUS CAPITAL IMPROVEMENTS PROJECTS OF THE CONSTITUENT INSTITUTIONS OF THE UNIVERSITY OF NORTH CAROLINA.

WITH APPROVAL OF STANDING COMMITTEE CHAIR(S) FOR REPORT TO BE MADE DIRECTLY TO THE FLOOR OF THE HOUSE:
Representative Clary, Crawford, Earle, Nye, Owens, Sherrill (Chair) for the Standing Committee on Appropriations.

With a favorable report.

FOR JOURNAL USE ONLY)

Pursuant to Rule 32(a), the bill/resolution is re-referred to the Committee on
Pursuant to Rule 36(b), the bill/resolution is placed on the Calendar of

## GENERAL ASSEMBLY OF NORTH CAROLINA SESSION 2005

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# SENATE BILL 1809\* Finance Committee Substitute Adopted 6/1/06

Short Title: University Indebtedness Projects. (F	Public
Sponsors:	
Referred to:	
Referred to:  May 24, 2006  A BILL TO BE ENTITLED  AN ACT TO AUTHORIZE THE CONSTRUCTION AND THE FINANCING WITHOUT APPROPRIATIONS FROM THE GENERAL FUND, OF CERTAIN CAPITAL IMPROVEMENTS PROJECTS OF THE CONSTITUENT INSTITUTIONS OF THE UNIVERSITY OF NORTH CAROLINA AND TO MAKE REVISIONS TO PREVIOUSLY AUTHORIZED INDEBTEDNESS FOR VARIOUS CAPITAL IMPROVEMENTS PROJECTS OF THE CONSTITUENT INSTITUTIONS OF THE UNIVERSITY OF NORTH CAROLINA.  The General Assembly of North Carolina enacts:  PART I. SELF-LIQUIDATING PROJECTS  SECTION 1.1. The purpose of this part is: (i) to authorize the construction or acquisition by certain constituent institutions of The University of North Carolina of the capital improvements projects listed in the part for the respective institutions, and (ii) to authorize the financing of these projects with funds available to the institutions from gifts, grants, receipts, self-liquidating indebtedness, Medicare reimbursements for education costs, or other funds, or any combination of these funds, but not including funds received for tuition or appropriated from the General Fund.  SECTION 1.2. The capital improvements projects, and their respective	
AN ACT TO AUTHORIZE THE CONSTRUCTION AND THE FINANC WITHOUT APPROPRIATIONS FROM THE GENERAL FUND, OF CERT CAPITAL IMPROVEMENTS PROJECTS OF THE CONSTITUTIONS OF THE UNIVERSITY OF NORTH CAROLINA AND MAKE REVISIONS TO PREVIOUSLY AUTHORIZED INDEBTEDNESS VARIOUS CAPITAL IMPROVEMENTS PROJECTS OF THE CONSTITUTIONS OF THE UNIVERSITY OF NORTH CAROLINA.	TAIN JENT O TO FOR
SECTION 1.1. The purpose of this part is: (i) to authorize the construor acquisition by certain constituent institutions of The University of North Caroli the capital improvements projects listed in the part for the respective institutions (ii) to authorize the financing of these projects with funds available to the institution gifts, grants, receipts, self-liquidating indebtedness, Medicare reimbursement education costs, or other funds, or any combination of these funds, but not included the funds received for tuition or appropriated from the General Fund.	ina of s, and ations ts for uding ective ed as
Appalachian State University Central Dining Facility – Phase II	00
East Carolina University  Mendenhall Student Center and Ledonia Wright Cultural Center –  Expansion and Renovation\$39,000.00	

	General Assembly of North Carolina	Session 200
	Todd Dining Hall – Renovation	\$2,100,000
	Brody School of Medicine – Renovations	\$1,200,000
	Brody School of Medicine – Health Science Campus – Renovations	5 \$6,000,000
	Elizabeth City State University	
	Residence Hall-Heating, Ventilating, and Air-Conditioning	
	Improvements	\$1.500.000
		\$1,500,000
	North Carolina State University	
	Derr Track – Renovation and Expansion – Phase II	\$2.500.000
	Partners VI Building and Parking Deck	\$2,300,000 \$40,000,000
	Centennial Campus Infrastructure.	\$40,000,000
	o onto man oumpus minustructure	\$10,000,000
•	The University of North Carolina at Chapel Hill	
	Food Service Facilities – Renovation and Expansion	\$2.500.000
	Science Complex – Phase II	\$3,300,000
	Carmichael Auditorium – Renovation and Expansion	\$92,200,000 \$15,000,000
	Research Resource Facility – Phase II	\$13,000,000
	Residence Halls – Improvements	\$12,400,000
	Woollen Gymnasium – Renovation	\$2,000,000
	Boshamer Baseball Stadium – Improvements	\$4,500,000
	Cogeneration Warehouse	\$14,000,000
	Steam Infrastructure Improvements	\$500,000
	Electrical Infrastructure Improvements	\$55,700,000
	Rell Tower Development - Phase I	\$29,530,000
	Bell Tower Development – Phase I	\$10,000,000
	Studies Center – Improvements	\$2,500,000
7	The University of North Carolina at Charlotte	
	Prospector Hall – Renovation – Phase II	\$4,000,000
	Residence Halls – Phase IX	\$38 800 000
		450,000,000
7	The University of North Carolina at Greensboro	
	Residence Hall – Acquisition	\$29,500.000
		, ,
I	The University of North Carolina at Wilmington	
	Residence Halls – Improvements	\$4,900.000
		, ,
V	Western Carolina University	
	Residence Hall – Renovation and Expansion	\$1,000,000
ν	Vinston-Salem State University	
•	Residence Hall – Renovation	<b>C4 500 000</b>
	SECTION 1.3. The following capital improvements projec	\$ <del>4</del> ,300,000

1 respective costs are authorized by this part to be constructed and financed as provided in Section 1.1 of this part, including by revenue bonds, by special obligation bonds as 2 3 authorized in Section 1.5 of this part, or by both: 4 5 North Carolina State University Residence Halls - Renovation - Supplement ......\$11,500,000 6 Thompson Theater - Renovation and Expansion - Supplement ............ \$4,500,000 7 8 9 The University of North Carolina at Chapel Hill Residence Halls – Improvements – Supplement......\$2,500,000 10 11 Educational Foundation Office Building - Supplement ...... \$12,000,000 12 Cobb Residence Hall – Renovation – Supplement ...... \$5,116,000 13 Residence College – Phase II – Supplement......\$8,000,000 14 Rizzo Center – Expansion – Supplement......\$5,300,000 15 16 17 The University of North Carolina at Charlotte Student Union – Supplement ......\$10,000,000 18 19 20 The University of North Carolina at Greensboro Parking Deck Addition – Supplement.....\$1,000,000 21 22 23 The University of North Carolina at Pembroke University Center Expansion – Supplement ......\$2,000,000 24 25 26 The University of North Carolina at Wilmington 27 University Union Building – Expansion and Renovation – Supplement......\$12,000,000 28 29 30 Western Carolina University Dodson Cafeteria Replacement – Supplement......\$12,250,000 31 32 SECTION 1.4. At the request of the Board of Governors of The University 33 of North Carolina and upon determining that it is in the best interest of the State to do 34 so, the Director of the Budget may authorize an increase or decrease in the cost of, or a 35 change in the method of, funding the projects authorized by this part. In determining 36 whether to authorize a change in cost or funding, the Director of the Budget may consult 37 with the Joint Legislative Commission on Governmental Operations. 38 SECTION 1.5. Pursuant to G.S. 116D-26, the Board of Governors may 39 issue, subject to the approval of the Director of the Budget, at one time or from time to 40 time, special obligation bonds of the Board of Governors for the purpose of paying all 41 or any part of the cost of acquiring, constructing, or providing for the projects 42 authorized by Sections 1.2 and 1.3 of this part. The maximum principal amount of 43 bonds to be issued shall not exceed the specified project costs in Sections 1.2 and 1.3 of 44

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this part plus five percent (5%) of such amount to pay issuance expenses, fund reserve funds, pay capitalized interest, and pay other related additional costs, plus any increase in the specific project costs authorized by the Director of the Budget pursuant to Section 1.4 of this part.

**SECTION 1.6.** With respect to the University of North Carolina at Chapel Hill's Research Resources Facility capital project, the institution may accomplish construction and financing notwithstanding the requirement in G.S. 116D-22(5) as to location at the institution.

SECTION 1.7. With respect to the forty-seven million five hundred twenty-two thousand dollars (\$47,522,000) Major Infrastructure Improvements capital project at the University of North Carolina at Chapel Hill that was previously approved in S.L. 2005-324, the institution may accomplish a portion thereof by payment to Duke Power Company LLC to acquire distribution capacity in improvements to be constructed by Duke Power Company LLC to three electrical substations located on the institution's property and by negotiating and executing any rights-of-way, easements, leases, and any other required agreements with Duke Power Company LLC necessary for the completion of the improvements, notwithstanding any other provisions of the General Statutes governing such negotiation and execution of such rights-of-way, easements, leases, or other required agreements therefor.

SECTION 1.8. With respect to the thirty million dollars (\$30,000,000) Student Housing project at North Carolina Central University that was previously approved in S.L. 2005-324, the institution may construct one or more new or purchase one or more existing buildings to meet its need for student housing.

## PART II. REVISE UNIVERSITY SPECIAL INDEBTEDNESS

**SECTION 2.1.** Section 1.1 of S.L. 2004-179, as amended by Section 30.3A of S.L. 2005-276, reads as rewritten:

"SECTION 1.1. In accordance with G.S. 142-83, this section authorizes the issuance or incurrence of special indebtedness in the following maximum aggregate principal amounts to finance the costs of the following projects. The table below provides the maximum principal amounts. The first column is the aggregate maximum principal amount. The second column is the maximum portion of this amount that can be issued or incurred before July 1, 2005. The State, with the prior approval of the State Treasurer and the Council of State, as provided in Article 9 of Chapter 142 of the General Statutes, is authorized to issue or incur special indebtedness in order to provide funds to the State to be used, together with other available funds, to pay the cost of these projects.

Aggregate		Maximum.	Project	
	Maximum	before 7/1/05		
	\$180,000,000	\$110,000,000	Acquiring, constructing, and equipping a new cancer rehabilitation and treatment center, a nearby physicians' office building, and a walkway between the two, all to be located at	

General Assembly of North Carolina	General	Assembly	of North	Carolina
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Session 2005

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1			the University of North Carolina Hospitals at
2	(0.000.000	20.000.000	Chapel Hill.
3	60,000,000	30,000,000	Acquiring, constructing, and equipping the
4			North Carolina Cardiovascular Diseases
5		•	Institute at East Carolina University.
6	35,000,000	25,000,000	Acquiring, constructing, and equipping a
7			Bioinformatics Center at the University of
8			North Carolina at Charlotte.
9	28,000,000	25,000,000	Acquiring, constructing, and equipping a
10			stand-alone facility to house the new
11		·	Pharmacy School program to be located at
12			Elizabeth City State University, and interim
13			temporary facilities to house the program
14			during construction of the facility.
15	35,000,000	25,000,000	Acquiring, constructing, and equipping a
16			Center for Health Promotion and Partnerships
17			at the University of North Carolina at
18			Asheville.
19	10,000,000	10,000,000	Land acquisition, site preparation,
20			engineering, architectural, and other
21			consulting services, and construction for the
22			Southeastern North Carolina Nursing
23			Education and Research Center at Fayetteville
24			State University.
25	10,000,000	10,000,000	Land acquisition, site Site preparation, and
26			engineering, architectural, and other
27			consulting services for facilities for
28			development of theservices, and the
29			construction of a research building on the joint
30	,		Millennial Campus of North Carolina
31			Agricultural and Technical State University
32			and the University of North Carolina at
33	10 000 000	10 000 000	Greensboro.
34	10,000,000	10,000,000	Land acquisition, site preparation, and
35 36			engineering, architectural, and other
30 37			consulting services for an Optometry School
·38			facilityservices, and construction of a Nursing
39			and Allied Health Building at the University
40	10,000,000	10 000 000	of North Carolina at Pembroke.
40	10,000,000	10,000,000	To Western Carolina University for land
42			acquisition, site preparation, and engineering,
43			architectural, and other consulting services
44	,		services, and construction of a building for
<b>∓</b> →	•		Western Carolina University and the Mountain

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Area Health Education Consortium for the North Carolina Center for Health and Aging to be operated as a consortium among Western Carolina University, the University of North Carolina at Asheville, and the Mountain Area Health Education Consortium.

Property acquisition in Piedmont-Triad Research Park for Winston-Salem State University programming related to biotechnology education and research; and land Land acquisition, site preparation, and engineering. architectural. and other services forservices, consulting and construction of a Center for Design Innovation in the Piedmont Triad Research Park to be operated jointly by Winston-Salem State University and the North Carolina School of the Arts.

#### **TOTAL:**

10,000,000

\$388,000,000 \$265,000,000"

## PART III. REVISE UNIVERSITY GENERAL OBLIGATION INDEBTEDNESS

Pursuant to Section 2(b) of S.L. 2000-3, the General SECTION 3.1. Assembly finds that it is in the best interest of the State to respond to current educational and research program requirements at North Carolina State University by of "Williams Hall Laboratory Building-Comprehensive reducing the scope Renovation." The unused funds from "Williams Hall Laboratory Building-Comprehensive Renovation" should be transferred to the following projects listed under the section entitled North Carolina State University: "Polk Hall Laboratory Building-Comprehensive Renovation." "1911 Classroom Building-Comprehensive Renovation," and "Park Shops-Comprehensive Renovation and Use Conversion for General Academic Use." Section 2(a) of S.L. 2000-3 is therefore amended in the portion under North Carolina State University by:

- (1) Reducing the portion to "Williams Hall Laboratory Building-Comprehensive Renovation" by six million four hundred forty-five thousand dollars (\$6,445,000) so that it reads six million four hundred twenty thousand five hundred dollars (\$6,420,500),
- (2) Increasing the portion to "Polk Hall Laboratory Building -Comprehensive Renovation" by one hundred one thousand three hundred sixty-two dollars (\$101,362) so that it reads fifteen million one hundred fifty-four thousand three hundred sixty-two dollars (\$15,154,362),
- (3) Increasing the portion to "1911 Classroom Building Comprehensive Renovation" by two million six hundred sixty-three thousand seven

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- hundred fifty-seven dollars (\$2,663,757) so that it reads nine million six hundred thirty-five thousand seven hundred fifty-seven dollars (\$9,635,757),
- Increasing the portion to "Park Shops Comprehensive Renovation (4) and Use Conversion for General Academic Use" by three million six hundred seventy-nine thousand eight hundred eighty-one dollars (\$3,679,881) so that it reads nine million nine hundred ninety thousand five hundred eighty-one dollars (\$9,990,581).

Pursuant to Section 2(b) of S.L. 2000-3, the General SECTION 3.2. Assembly finds that it is in the best interest of the State to respond to current educational and research program requirements at the University of North Carolina at Chapel Hill by reducing the scope of "Caldwell and Howell Halls-Comprehensive Renovation of Classrooms and Lecture Halls" and by reducing the scope of "Hill and Davie Halls-Comprehensive Renovation of Classrooms and Lecture Halls." The unused monies from "Caldwell and Howell Halls-Comprehensive Renovation of Classrooms and Lecture Halls" should be transferred to "Hamilton Hall-Comprehensive Renovation of Classrooms and Lecture Halls." The unused monies from "Hill and Davie Halls-Comprehensive Renovation of Classrooms and Lecture Halls" should be transferred to "Greenlaw Hall-Comprehensive Renovation of Classrooms and Lecture Halls." Section 2(a) of S.L. 2000-3 is therefore amended in the portion under the University of North Carolina at Chapel Hill by:

- Reducing the portion to "Caldwell and Howell Halls-Comprehensive (1) Renovation of Classrooms and Lecture Halls" by eight hundred forty-five thousand two hundred forty-six dollars (\$845,246) so that it reads eight hundred eighty-six thousand seven hundred fifty-four dollars (\$886,754),
- Reducing the portion to "Hill and Davie Hall-Comprehensive (2) Renovation of Classrooms and Lecture Halls" by one million three hundred twenty-four thousand seven hundred twenty-nine dollars (\$1,324,729) so that it reads six hundred twenty-four thousand two hundred seventy-one dollars (\$624,271),
- Increasing the portion to "Hamilton Hall-Comprehensive Renovation (3) of Classrooms and Lecture Halls" by eight hundred forty-five thousand two hundred forty-six dollars (\$845,246) so that it reads two million three hundred eighty-four thousand two hundred forty-six dollars (\$2,384.246),
- **(4)** Increasing the portion to "Greenlaw Hall-Comprehensive Renovation of Classrooms and Lecture Halls" by one million three hundred twenty-four thousand seven hundred twenty-nine dollars (\$1,324,729) so that it reads three million one hundred forty-nine thousand seven hundred twenty-nine dollars (\$3,149,729).

SECTION 3.3. Pursuant to Section 2(b) of S.L. 2000-3, the General Assembly finds that it is in the best interest of the State to respond to current educational and research program requirements at Western Carolina University by

1	reducing the scope of "Forsyth Classroom and Computer Labs Renovation," and by
2	transferring the unused funds to "Stillwell Lab Building-Comprehensive Renovation."
3	Section 2(a) of S.L. 2000-3 is therefore amended in the portion under Western Carolina
4	University by:
5	(1) Reducing the portion to "Forsyth Classroom and Computer Labs
6	Renovation" by three million two hundred thousand dollars
7	(\$3,200,000) so that it reads three million eight hundred sixty-four
8:	thousand dollars (\$3,864,000),
9	(2) Increasing the portion to "Stillwell Lab Building-Comprehensive
10	Renovation" by three million two hundred thousand dollars
11.	(\$3,200,000) so that it reads eighteen million two hundred fifty-seven
12	thousand five hundred dollars (\$18,257,500).
13	SECTION 3.4. Nothing in this part is intended to supersede any other
14	requirement of law or policy for approval of the substituted capital improvement
15	projects.
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17	PART IV. EFFECTIVE DATE

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**SECTION 4.1.** This act is effective when it becomes law.