

**2017-2018**

**HOUSE  
APPROPRIATIONS –  
CAPITAL**

**MINUTES**



**HOUSE COMMITTEE ON APPROPRIATIONS, CAPITAL**  
**2017-2018 SESSION**



**HOUSE COMMITTEE ON APPROPRIATIONS, CAPITAL**  
**2017-2018 SESSION**

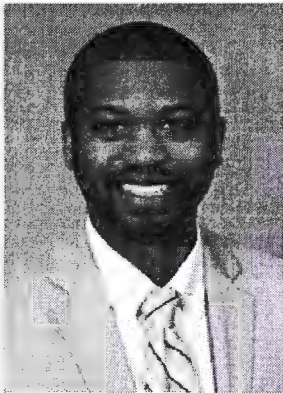
**Committee Assistants: Dina Long and Jayne Nelson**



**Rep. Justin Burr**  
**Co-Chair**



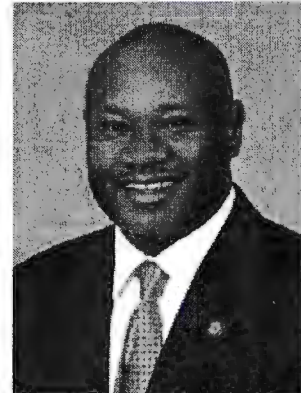
**Rep. Jon Hardister**  
**Co-Chair**



**Rep. Cecil Brockman**  
**Member**



**Rep. Kyle Hall**  
**Member**



**Rep. Amos Quick**  
**Member**



**Rep. David Rogers**  
**Member**



**HOUSE COMMITTEE ON APPROPRIATIONS – CAPITAL**

**2017-2018 Session**

<b><u>MEMBER</u></b>	<b><u>ASSISTANT</u></b>	<b><u>PHONE</u></b>	<b><u>OFFICE</u></b>	<b><u>SEAT</u></b>
BURR, Justin    Chairman	Dina Long	919-733-5908	307A	16
HARDISTER, Jon    Chairman	Jayne Nelson	919-733-5191	638	39
BROCKMAN, Cecil	Grady O'Brien	919-733-5825	1311	118
HALL, Kyle	Cameron Dawson	919-733-5609	536	78
QUICK, Amos	Mildred Alston	919-733-5902	1317	91
ROGERS, David	Baxter Knight	919-733-5749	418C	86





(Name of Committee)

[illegible]



## **Appropriations Committee on Capital**

The purpose of the Capital Appropriations Committee is to review, prioritize and make recommendations regarding the capital needs of North Carolina to include all state government buildings and facilities, state properties, parks, cultural and historic sites, university and community college facilities, and other facilities in which the state contributes or directs capital funding. The Committee will develop plans to meet the State's capital needs and recommend appropriate funding options including an assessment of the State's debt affordability.

The Committee will review the progress of capital construction projects providing reports and recommendations, and has leave to investigate and make recommendations on public school capital construction projects. The Committee will coordinate its activities and recommendations with other Appropriations Committees. The Committee will report its annual budget recommendations to the Appropriations Committee.

The Committee may tour institutions to assess future needs, review how capital appropriations have been spent over past years, and develop budget recommendations for capital maintenance needs.



**NORTH CAROLINA HOUSE OF REPRESENTATIVES  
COMMITTEE MEETING NOTICE  
AND  
BILL SPONSOR NOTIFICATION  
2017-2018 SESSION**

You are hereby notified that the **House Committee on Appropriations, Capital** will meet as follows:

**DAY & DATE:** Tuesday, March 7, 2017

**TIME:** 11:00 AM

**LOCATION:** 415 LOB

**COMMENTS:** Overview of Committee's Charge and Capital Appropriations Background

Respectfully,

Representative Justin P. Burr, Co-Chair

Representative Jon Hardister, Co-Chair

I hereby certify this notice was filed by the committee assistant at the following offices at 10:16 AM on Wednesday, March 01, 2017.

\_\_\_\_ Principal Clerk  
\_\_\_\_ Reading Clerk – House Chamber

Dina Long (Committee Assistant)



# **House Appropriations Committee on Capital**

Rep. Justin Burr

Rep. Jon Hardister

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*Tuesday, March 7, 2017 11:00am  
Room 415 Legislative Office Building*

**1. Welcome and Opening Comments:**

Rep. Justin Burr, Presiding

**2. Overview of Committee's Charge and Capital Appropriations**

Daniel Sater, Fiscal Research Division Staff

**3. Committee Questions and Discussion**

**4. Public Comments**

**5. Adjourn**





**House Committee on Appropriations, Capital**  
**Tuesday, March 7, 2017, at 11:00 A.M.**  
**Room 415**

**MINUTES**

The House Committee on Appropriations, Capital met at 11:00 A.M. on March 7, 2017, in Room 415. Representatives Brockman, Burr, Hardister, Quick, and Rogers attended.

Representative Burr presided.

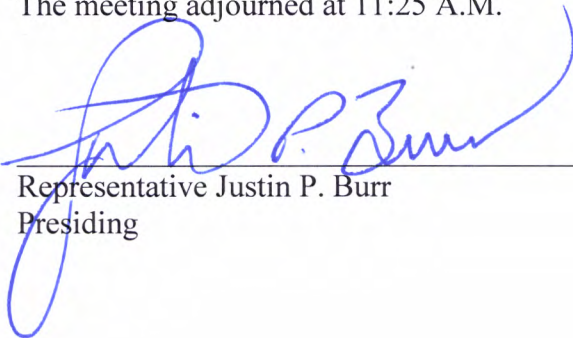
Mr. Daniel Sater, of the NCGA Fiscal Research Division, presented an overview of the committee's charge and the objectives of Capital Appropriations.

Following the presentation, Representative Burr opened the meeting to questions and discussion from members. He requested they send ideas to the chairs on what they would like to be considered in the committee.

Mr. Richard Bostic, NCSBA, was recognized for public comment. He requested the committee consider the need for school capital funding.

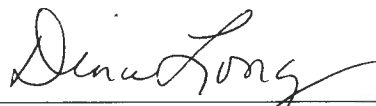
Handout is included and made a part of these Minutes.

The meeting adjourned at 11:25 A.M.



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Representative Justin P. Burr  
Presiding



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Dina Long, Committee Clerk



# House Appropriations Committee for Capital

## Overview of Capital and Committee Process

Daniel Sater  
Fiscal Research Division

March 7, 2017



## Outline

- Overview of Capital Process
- Debt
- Recent Actions by the General Assembly
- Role of the Committee
- Committee Discussion

## Definition of Capital

Defined in the State Budget Act (G.S. 143C)

“A term that includes real property acquisition, new construction or rehabilitation of existing facilities, and repairs and renovations.”

## Buildings Owned by the State

- The State owns 123.3 million gross square footage of space throughout the North Carolina
- The University of North Carolina owns 59% (72.8 million GSF)
- State agencies own 41% (50.5 million GSF)

### Gross Square Footage By State Entity (123,367,442 GSF)

Agency	Gross Square Footage	Percent of Total
University of North Carolina	72,865,578	59.06%
Public Safety	15,559,541	12.61%
Transportation	10,579,933	8.58%
Health and Human Services	7,692,705	6.24%
Administration	4,631,604	3.75%
Agriculture	4,261,904	3.45%
Environment and Nat. Resources	2,569,233	2.08%
Cultural Resources	1,564,448	1.27%

**Eight entities are responsible for 97% of State Owned Space**

### Value of Buildings Owned by the State

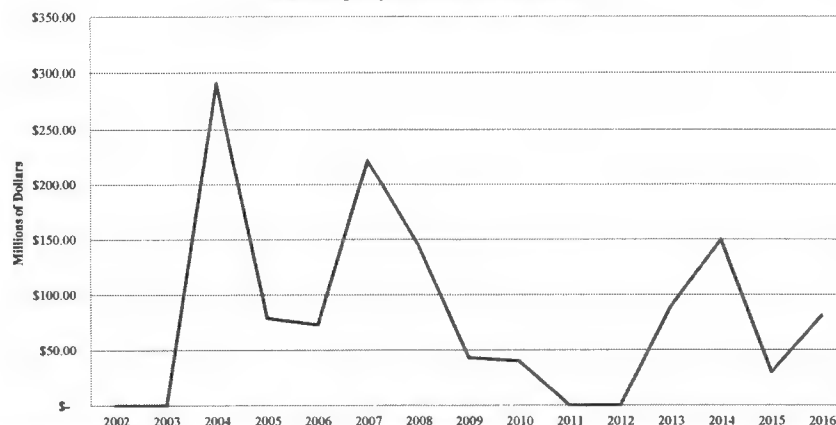
- Insured building value on January 2016 was \$30 billion
- The General Fund accounted for \$19.9 billion of the total value
- Non-General Fund value was \$10.1 billion

## Repairs and Renovations

- Allocated to UNC and State agencies
  - Currently 50% for UNC and 50% for State agencies
  - Was 1/3<sup>rd</sup> for UNC and 2/3<sup>rd</sup> for State agencies in FY 2015-16
- \$81.4 M appropriated to Repair and Renovations Fund for FY 2016-17

## Repairs and Renovations

R&R Appropriations Over Time



### Capital Improvement Process: Agency/Office of State Budget and Management

- Agencies Required to Submit Needs Estimate to Office of State Management and Budget (G.S. 143C-8-4) for Repair and Renovations and New Construction/Acquisition.
- Governor Required to Submit Six-Year Capital Improvement Plan to General Assembly (G.S. 143C-8-5) for Repair and Renovation and New Construction/Acquisition

### Capital Improvement Process: Agency/Office of State Budget and Management

- Criteria for Project Evaluation (G.S. 143C-8-3)
  - Preservation, adequacy and use of existing facilities
  - Health and safety considerations.
  - Operational efficiencies.
  - Projected demand for governmental services

## Capital Improvement Process: Agency/Office of State Budget and Management

- Capital requests must contain a detailed cost estimate (G.S. 143C-8-6)
  - Estimates certified by the Dept. of Administration's State Construction Office (G.S. 143-341(3)(b1))
  - Lack of adequate planning funds hinder cost estimates

## Capital Improvement Process: Agency/Office of State Budget and Management

- First and Last Capital Improvement Plan Submitted for FY 2007-09 Biennium
- Agencies have continued to submit needs estimates to OSBM and the General Assembly, however these have been inconsistent
- Lack of available funds for Capital, and loss of staff, are the primary reasons for lack of submissions.



## Methods of Financing Capital Projects

- General Funds
- Agency Receipts
- Debt

## Types of State Debt

- General Obligation Debt
  - Secured by the full faith and credit of the State
  - Requires a vote of the people
  - Connect NC Bond
- Two Thirds/Legislative Bonds
  - Secured by the full faith and credit of the State
  - Voter approval is not necessary
  - Limited by the reduction in total General Obligation debt in the previous fiscal year

## Types of State Debt

- Revenue Bonds
  - Backed by revenues generally tied to the project being financed
  - Rarely used at the State level
- Special Obligation Bonds
  - Backed by various agency revenues
  - Limited to the University of North Carolina System

## Types of State Debt

- Special Indebtedness and Certificates of Participation (COPs)
  - May be backed by pledge of appropriation
  - Item being financed, or other assets, may be pledged as security
  - Statutory framework enacted in 2003

## State Debt Profile

- North Carolina is one of twelve states with “Triple-AAA” debt ratings
- Net tax-supported debt is \$5.9 billion
  - General Fund pledged debt is \$2.8 billion
- Higher Education represents 46% of tax-supported debt
- Ten year payout ratio is 70%

## Update on the Connect NC Bond

- \$2 billion General Obligation bond
  - UNC System received \$980 million
  - Community Colleges \$350 million
  - Local water/sewer projects \$300 million
- First bond sale occurred in 2016, majority of the bonds will be sold June 2018-December 2020
- Bonds are sold as needed to avoid paying interest unnecessarily

## Recent Actions by the General Assembly

### S.L. 2015-241, Sec. 31.10: *Plan for DHHS Relocating All Offices to One Location*

- DHHS submitted the plan in October 2016
- Cost estimates for the new building
  - \$800 million for General Obligation Bond build to own
  - \$1.2 billion for 30 year build to suite lease
- 1 million gross square feet and 5,000 parking spaces

## Recent Actions by the General Assembly

### S.L. 2016-94, Sec. 37.7 *Enhance Oversight of Certain Capital Projects*

- Requires General Assembly approval of leases:
  - For terms longer than 30 years
  - That would require the relocation of State employees and the employing agency has insufficient funds to cover the relocation and ongoing provision of State functions
- Exempts utility easements, leases by universities to endowments for housing projects, and VIPER towers

## Recent Actions by the General Assembly

*S.L. 2016-94, Sec. 37.8 Limit the Ability of State Agencies or State Entities to Enter into Debt or Debt-Like Arrangements Outside of the Purview of the General Assembly*

- Requires General Assembly approval for financing arrangements for capital projects having a value of greater than \$5,000,000
- Wilmington Harbor Navigation 96 Act Project is an example of one that would need approval

## Role of the Committee

- Meet to discuss Capital funding issues, hear from interested parties, and vote on the House's proposed capital budget
- Spending target for Capital typically comes late in the budget process
- Capital funding is a full chair item in the Senate process

## Priorities and Funding Decisions

- What are the priorities of this committee?
  - New Capital projects
  - Agencies and Universities
  - Repairs and renovations
- How should the General Assembly allocate its resources?
  - Cash, Debt Capacity, Receipts, etc.

## Contact

- Daniel Sater
  - [Daniel.sater@ncleg.net](mailto:Daniel.sater@ncleg.net)
- David Vanderweide
  - [David.vanderweide@ncleg.net](mailto:David.vanderweide@ncleg.net)
- Matt Meinig
  - [Matthew.meinig@ncleg.net](mailto:Matthew.meinig@ncleg.net)

**Jayne Nelson (Rep. Jon Hardister)**

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**From:** Jayne Nelson (Rep. Jon Hardister)  
**To:** Wednesday, March 15, 2017 10:45 AM  
**Subject:** Jayne Nelson (Rep. Jon Hardister)  
<NCGA> House Appropriations, Capital Committee Meeting Notice for Tuesday, March 21, 2017 at 11:00 AM  
**Attachments:** Add Meeting to Calendar\_LINC\_.ics

**NORTH CAROLINA HOUSE OF REPRESENTATIVES  
COMMITTEE MEETING NOTICE  
AND  
BILL SPONSOR NOTIFICATION  
2017-2018 SESSION**

You are hereby notified that the **House Committee on Appropriations, Capital** will meet as follows:

**DAY & DATE:** Tuesday, March 21, 2017  
**TIME:** 11:00 AM  
**LOCATION:** 415 LOB  
**COMMENTS:** Presentations from the Office of State Budget and Management and the Department of Administration

Respectfully,

Representative Justin P. Burr, Co-Chair  
Representative Jon Hardister, Co-Chair

I hereby certify this notice was filed by the committee assistant at the following offices at 10:39 AM on Wednesday, March 15, 2017.

\_\_\_\_ Principal Clerk  
\_\_\_\_ Reading Clerk – House Chamber

Jayne Nelson (Committee Assistant)





**House Committee on Appropriations, Capital**  
**Tuesday, March 21, 2017 at 11:00 am**  
**Room 415, Legislative Office Building**

**Minutes**

The House Committee on Appropriations, Capital met at 11:00 am on March 21, 2017 in Room 415 of the Legislative Office Building. Members of the committee attending were: Burr (Co-chair), Hardister (Co-chair), Brockman, Quick and Rogers. Sergeant-at-Arms were: Bill Moore, Bill Reily and Barry Moore. Colin Konieczka paged the meeting. A Visitors Sheet is included and made a part of the minutes.

Chairman Hardister presided.

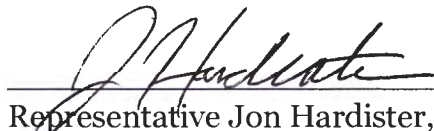
Representative Hardister welcomed the committee and presenters.(Attachment 1) He introduced Mark Edwards, Deputy Secretary of the Department of Administration who introduced Tim Walton and John Webb who gave presentations regarding the renovation of the Albemarle Building and Wake County Leases. (Attachment 2)

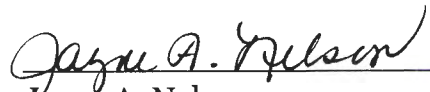
Mark Bondo, Budget Analyst of the Office of Budget and Management, was introduced to give an overview of the Governor's Recommended Budget concerning Capital. (Attachments 3 & 4)

Representative Burr asked for the total agency request for repairs and renovations. Daniel Sater, Fiscal Research staff member responded later in the week with the information. (Attachment 5)

Representative Hardister opened the floor to more questions from members. Rep. Burr asked a series of questions regarding Green Square and glass used in renovations that did not hold up to required standards. It was brought out Department of Administration presenters that it does meet North Carolina building code, so no recourse is available.

Chairman Hardister thanked everyone and adjourned the meeting at 11:50 am.

  
Representative Jon Hardister,  
Presiding Chair

  
Jayne A. Nelson,  
Committee Assistant



## **House Appropriations Committee on Capital**

Rep. Justin Burr

Rep. Jon Hardister

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*Tuesday, March 21, 2017 11:00am  
Room 415 Legislative Office Building*

**1. Welcome and Opening Comments:**

Rep. Jon Hardister, Presiding

**2. Albemarle Building Renovation and Wake County Leases**

Mark Edwards, Deputy Secretary, Department of Administration

**3. Governor's Bond Proposal**

Mark Bondo, Budget Analyst, Office of State Budget and Management

**4. Committee Discussion**

**5. Adjourn**





North Carolina Department of Administration

# Presentation to House Appropriations Committee for Capital

March 21, 2017



## Wake County leased properties

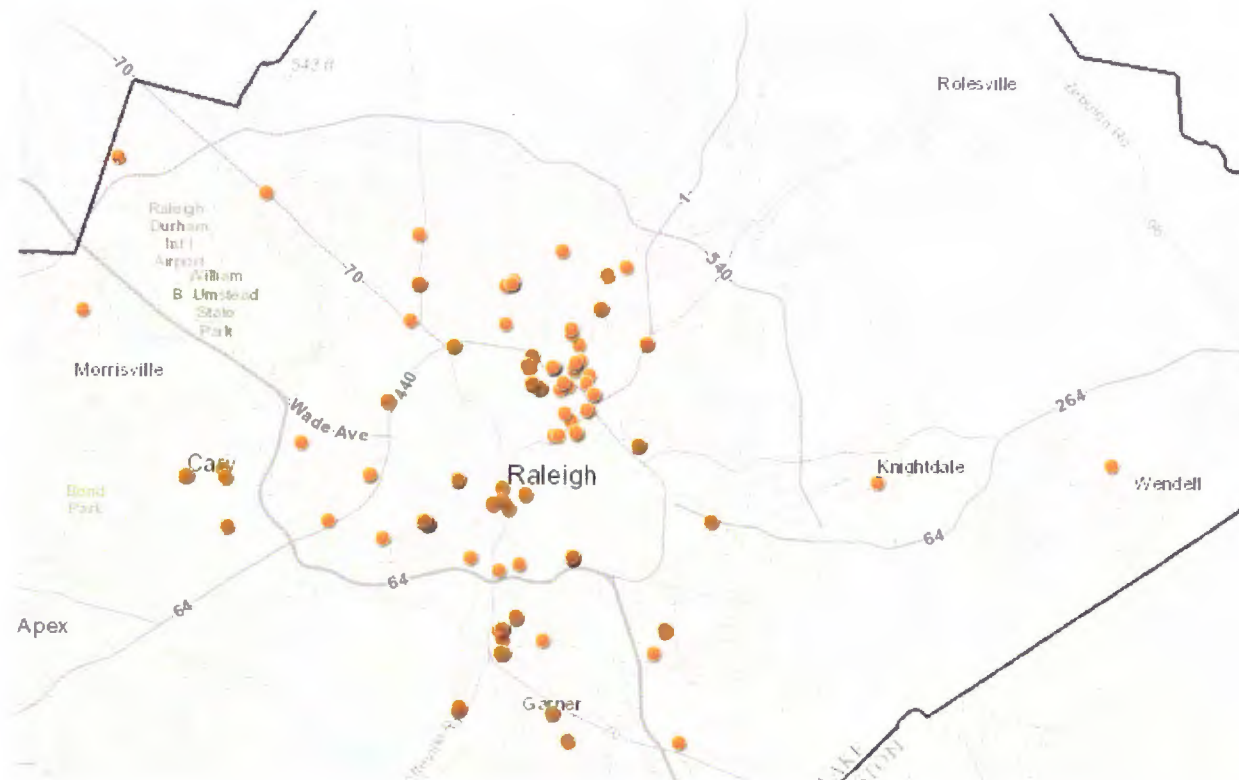
- 122 total leases
- 34 total agencies
  - Including: Departments of Agriculture, Environmental Quality, Health and Human Services, Information Technology, Natural and Cultural Resources, Administration, Commerce, Insurance, Justice, Labor, Revenue, Transportation, Public Safety, and Military and Veterans Affairs
  - Also includes Governor's Office and State Human Resources

**Net sq. ft.**  
2,115,707

**Total annual rent**  
\$30,183,173.07



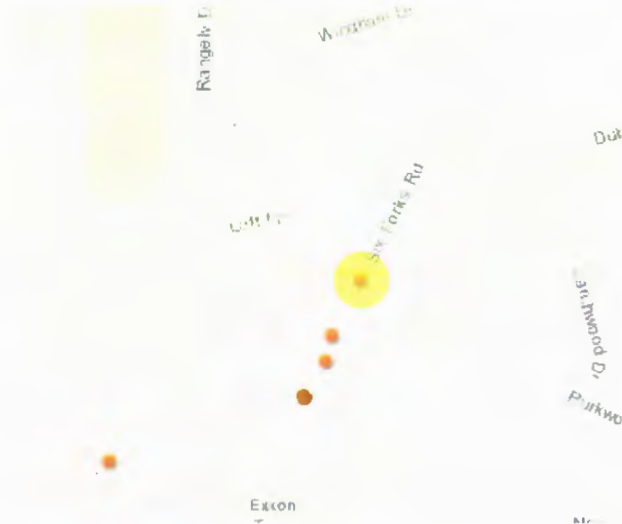
## Wake County leased properties



## Larger lease expirations in 2017

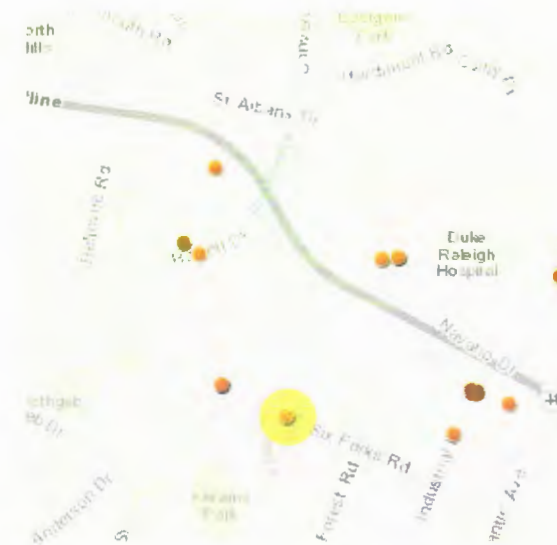
### DHHS – Public Health

- 140,780 sq. ft.
- Annual rent: \$2,173,913



### DHHS – Medical Assistance

- 38,036 sq. ft.
- Annual rent: \$655,896





## Albemarle Building

- Complete renovation of 12-story, 192,000 sq. ft. building
  - Project start: 6/29/2015
  - Final inspection: 3/22/2017
  - Anticipated occupancy by early April
- New insulation and roofing
- Interior of building completely re-built
- New mechanical, electric, plumbing and fire protection systems throughout

Abate & demolish: \$9,500,000

**Projected final cost: \$44,601,000**

## Before & after



## Before & after



## Lessons Learned

Original building occupancy date accomplished under budget due to:

1

Teamwork

2

Open & honest communication  
about issues/schedules

3

Diligence in overcoming obstacles

4

Attention to detail

5

Flexibility

6

Commitment to owner  
satisfaction



## Lessons Learned

### **Initial bid day tabulations placed project 6% over budget**

Value engineering process over next 90 days met budget and added alternatives to improve building's efficiency, security and access

### **One of largest single State Abatement Permits ever issued at the time**

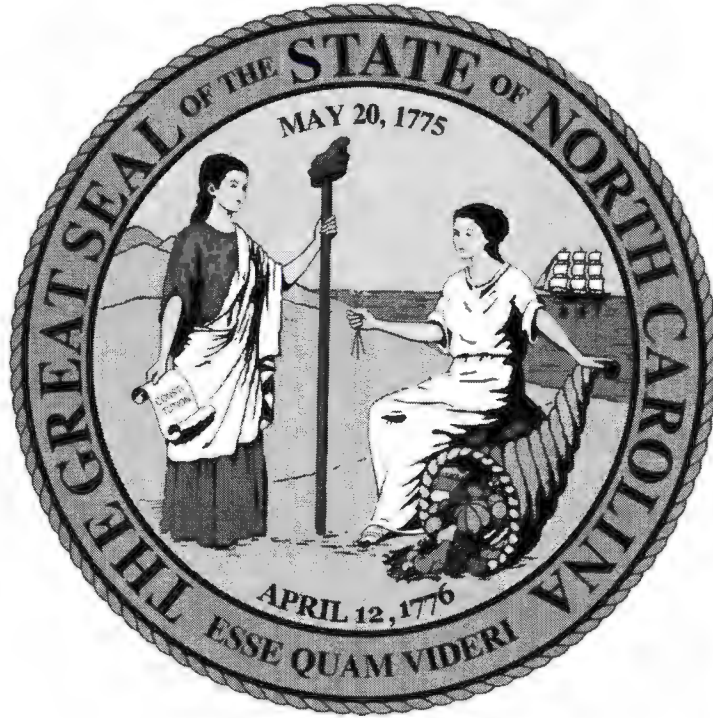
Testing and monitoring was required to assure containment was effective throughout process  
All abatement materials required to be removed through external mounted vacuum standpipe

### **Elevator repairs & completion of life safety equipment was key schedule driver**

### **Original building had handcrafted ceramic tile mosaic mural in lobby – valued at +\$250k**

Individual sections mapped, specifically marked, removed and crated for shipping to new facility





# **Governor's Recommended Budget: Capital**

House Appropriations Committee on Capital

Mark Bondo, Monica Scott, and Andrew Shaw  
Office of State Budget and Management  
March 21, 2017







- Capital Budget Overview
- General Fund and Receipt Project Overview
- Selection Criteria for Limited Obligation Projects
- Impact on Debt Service
- Items in Governor's Proposed Budget Provision Package





# Capital Budget Summary

Office of State Budget  
and Management

Source of Funds	FY 2017-18	FY 2018-19	Percent of Total
General Fund	\$23,141,000	\$0	5.1%
Receipts	\$54,289,900	\$21,937,000	16.9%
Limited Obligation Bonds (State Agency)	\$175,749,000	\$0	39.0%
Limited Obligation Bonds (University)	\$175,000,000	\$0	38.9%

Location	Amount	Percent
Wake County	\$101,859,300	22.6%
Outside of Wake County*	\$348,255,600	77.4%

\* Includes "Statewide" items





- Fully Funds the State share of Water Resources Development Projects
- Provides necessary supplements to Connect NC Bond Projects at North Carolina Central University and the National Guard
- Updates State Capital Master Plan
- Provides funds for the National Guard helipads
- Repairs the Green Square Complex Glass Issue
- Continues the success of Justice Reinvestment by providing an additional Confinement in Response for Violation facility - temporary facility for 100 inmates
- Authorizes the entirety of State Agency receipt requests





# State Debt Affordability

Office of State Budget  
and Management

- Debt Affordability for North Carolina (Millions of Dollars)

	2017-18	2018-19	2019-20	2020-21	2021-22
Funds to Unfunded Liabilities	\$153.3	\$140.4	\$139.0	\$158.2	\$206.1
Total Additional Debt Capacity per Year	\$1,268.3	\$56.3	\$39.7	\$40.9	\$42.2
Debt Capacity Available each and every Year	\$181.0	\$181.0	\$181.0	\$181.0	\$181.0

- State has \$577 million in non-General Obligation debt capacity (25% of authorized General Obligation debt)
  - Proposal retains \$226.3 million of capacity for necessary emergencies







## Selection Criteria for State Agency Limited Obligation Projects:

- \$175.7 million in Limited Obligation Bonds
  - Projects must be over \$2.5 million
  - Projects must be a full building renovation, infrastructure renewal, or new construction to replace a building
  - Evaluated using OSBM Criteria





# State Agency Limited Obligation Bonds

Office of State Budget  
and Management

## State Agency Capital Project Evaluation Criteria

Prioritization Category	Criteria	Indicator/Definition
<b>Critical Evaluation Criteria</b>		
Federal State Mandate	Federal/State Mandates	Is the project required by federal or State statute, court order, or regulation, or does project move an agency/institution into further federal compliance? (5 Points)
Health and Safety Considerations	Reduce Hazards and/or Deficiencies in Existing Facilities	Does the project address documented critical life safety issues? (5 Points)
<b>Strategic Evaluation Criteria</b>		
Strategic Alignment	Governor's Strategic Goals/Objectives	Does the project advance the Governor's strategic objectives and statewide goals? (10 Points)
Strategic Alignment	Agency's Strategic Goals/Objectives	Priorities 1 to 5 = 6 points, Priorities 6 to 10 = 3 points
Economic Development	Economic Development	County (Tier 3 = 0 points, Tier 2 = 1 point, Tier 1 = 2 points)
<b>Agency Capacity</b>		
Capital Capacity	Prior Capital Funds	Did the agency receive Connect NC Bond Funding? (2 points if "No")

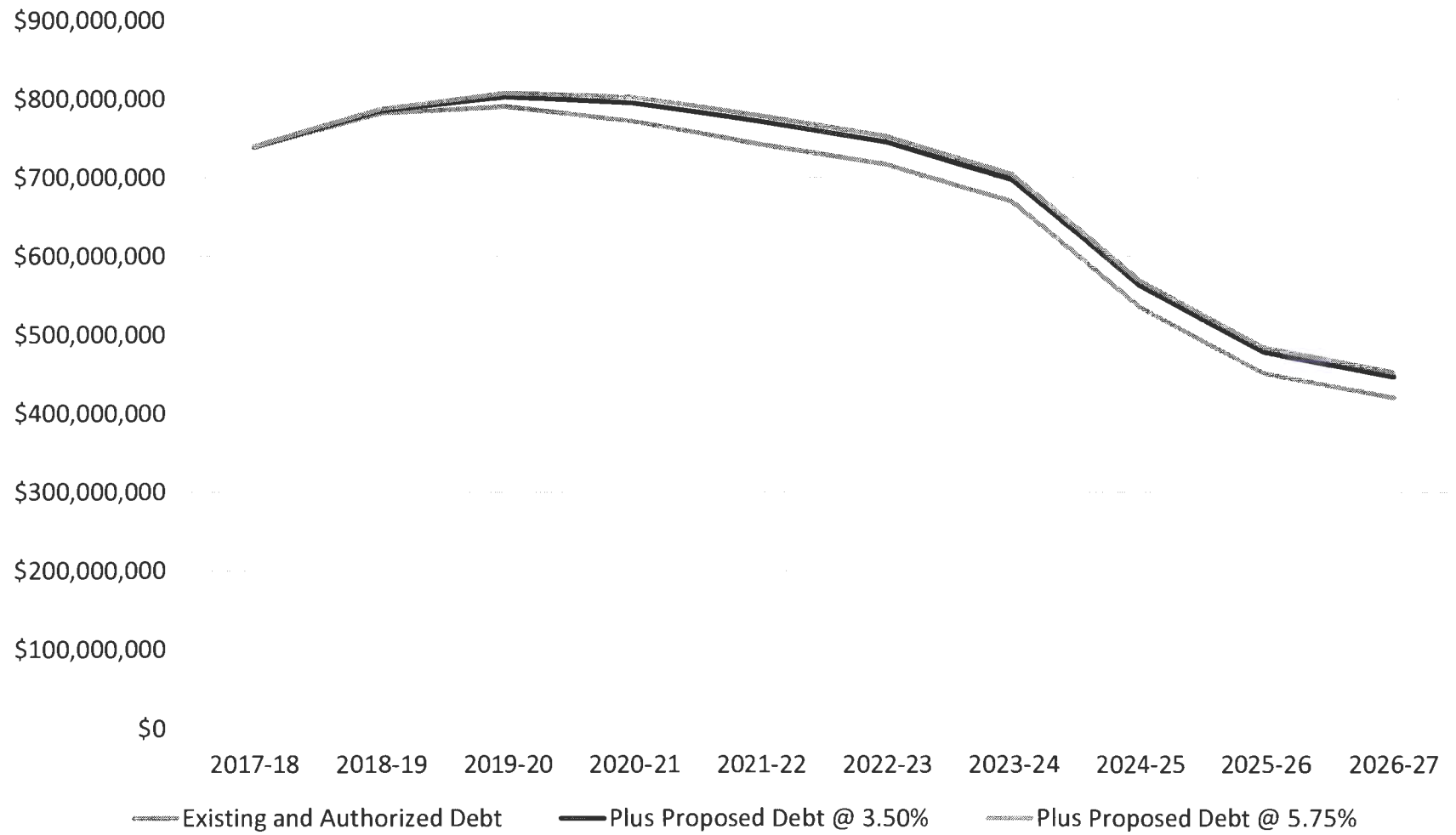




## Selection Criteria for UNC Projects

- \$175 Million in Limited Obligation Bonds for Targeted Renewal efforts
  - Used List provided at January 2017 UNC BOG Meeting
  - Reviewed both New and Targeted Renewal requests
  - Projects must be full building renovation or infrastructure renewal
  - Projects must be over \$2.5 million in cost
  - Projects had to be under an amount so that every Constituent Institution received a project
  - Project priority rating drove the process





Estimates made by the Office of State Budget and Management







- Maintains an equal distribution of repairs and renovations funds for UNC and State Agencies
- Provides Agency and UNC flexibility for repairs and renovations funds from operating sources
  - Allows Agencies to use up to \$500,000 in operating funds
  - Allows UNC Campuses to up to \$1 million in operating funds
- Defines capital projects at over \$100,000 in cost
- Allows the Department of Administration access to bond proceeds for Connect NC administration
- Removes a requirement that UNC use receipts to advance plan projects prior to requesting State funds





- Mark Bondo: [mark.bondo@osbm.nc.gov](mailto:mark.bondo@osbm.nc.gov)
  - 919-807-4786
- Monica Scott: [monica.scott@osbm.nc.gov](mailto:monica.scott@osbm.nc.gov)
  - 919-807-4750
- Andrew Shaw: [andrew.shaw@osbm.nc.gov](mailto:andrew.shaw@osbm.nc.gov)
  - 919-807-4751



5-21-11 CALL # 4

**GOVERNOR ROY COOPER'S  
RECOMMENDED BUDGET  
2017-2019**

**Common Ground Solutions**  
*for* **NORTH CAROLINA**





## CAPITAL IMPROVEMENTS

Common Ground Solutions  
for NORTH CAROLINA

*Renovating and expanding public properties to improve education, technology and public safety*

### **Staying Prepared**

Improves disaster readiness by building new helipads at the North Carolina National Guard Joint Forces Headquarters in Raleigh to provide public safety and protection.

### **Investing in Infrastructure**

Creates jobs and makes improvements across North Carolina by directing \$438.5 million in funding to rehabilitate, expand or make more efficient state facilities.

### **Protecting Our Environment**

Conserves North Carolina's fisheries and wildlife by funding the purchase of land from willing sellers. Promotes economic stewardship by funding water resource projects including dredging, navigation, flood control, beach protection, and stream restoration.

### **Supporting Higher Education**

Provides funding for new facilities at North Carolina's public colleges and universities, including a supplement for NC Central University's new School of Business. Funds capital improvements across the state's higher education facilities, including repairs to campus water, sewer, and storm water management systems and renovations for academic buildings.

### **Preserving Cultural Resources**

Protects the state's historical legacy with a new museum and visitor center at Fort Fisher Historic Site in New Hanover County and other historic site repairs and renovations.

### **Training Law Enforcement Officers**

Improves and expands professional law enforcement training by offering bonds for construction and renovation of dormitory facilities at the Eastern and Western Justice Academy campuses.

### **Expanding Medical Examiner Services**

Supports bonds to build new regional Medical Examiner Offices in Forsyth and Pitt Counties, which will provide full autopsy services for the Triad and Eastern North Carolina regions.

**Recommended Change Budget for Capital - General Fund (19600)**

Year 1 FY 2017-18	Recommended Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
Requirements	\$ -	\$ -	\$ 392,623,000	\$ 392,623,000	\$ 392,623,000	0.0%
Receipts	\$ -	\$ -	\$ 369,482,000	\$ 369,482,000	\$ 369,482,000	0.0%
Net Appropriation	\$ -	\$ -	\$ 23,141,000	\$ 23,141,000	\$ 23,141,000	0.0%
Positions (FTE)	0.000	0.000	0.000	0.000	0.000	0.0%

Year 2 FY 2018-19	Recommended Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
Requirements	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
Receipts	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
Net Appropriation	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
Positions (FTE)	0.000	0.000	0.000	0.000	0.000	0.0%

	FY 2017-18		FY 2018-19	
	Recurring Changes	Nonrecurring Changes	Recurring Changes	Nonrecurring Changes

**1 - Department of Administration - Green Square and Nature Research Center Canopy and Glass Replacement**

Provides funds for the construction of a permanent canopy around the Green Square and Nature Research Center, including funds to replace failing glass.

Req	\$ -	\$ 4,000,000	\$ -	\$ -
Rec	\$ -	\$ -	\$ -	\$ -
App	\$ -	\$ 4,000,000	\$ -	\$ -
FTE	0.000	0.000	0.000	0.000

**2 - Department of Administration - Capital Master Plan Update**

Provides funds to update the Capital Area Master Plan. The last Master Plan was funded in FY 2006-07. The plan will provide a strategy for the State Capital Area development and redevelopment.

Req	\$ -	\$ 1,500,000	\$ -	\$ -
Rec	\$ -	\$ -	\$ -	\$ -
App	\$ -	\$ 1,500,000	\$ -	\$ -
FTE	0.000	0.000	0.000	0.000

**3 - Department of Agriculture and Consumer Services - Eaddy Building Addition and Renovation**

Renovates the Agronomics Division's existing facility and adds 1,700 sq. ft. of workspace in order to centralize the receiving of samples for the division.

Req	\$ -	\$ 731,000	\$ -	\$ -
Rec	\$ -	\$ -	\$ -	\$ -
App	\$ -	\$ 731,000	\$ -	\$ -
FTE	0.000	0.000	0.000	0.000

**4 - Department of Environmental Quality - Water Resources Development Projects**

Funds the state share of Water Resources Development Projects. The projects include navigation, water management, storm damage debris removal, and beach renourishment.

Req	\$ -	\$ 26,788,000	\$ -	\$ -
Rec	\$ -	\$ 17,683,000	\$ -	\$ -
App	\$ -	\$ 9,105,000	\$ -	\$ -
FTE	0.000	0.000	0.000	0.000

**5 - Department of Natural and Cultural Resources - State Historic Sites Maintenance and Workshop Facility**

Provides funds for a new 40 ft. by 80 ft. pre-engineered metal building for maintenance and workshop facilities to consolidate the Division of Historic Sites Central Region craftspeople into a single site in Goldsboro.

Req	\$ -	\$ 455,000	\$ -	\$ -
Rec	\$ -	\$ -	\$ -	\$ -
App	\$ -	\$ 455,000	\$ -	\$ -
FTE	0.000	0.000	0.000	0.000



**6 - Department of Public Safety - Supplement to Connect NC Morganton Project**

Provides funds to demolish the vacant Western Youth Detention Facility. The location will be used for the North Carolina National Guard's Morganton Regional Readiness Center, funded by the Connect NC Bond.

Req	\$	-	\$	2,000,000	\$	-	\$	-
Rec	\$	-	\$	-	\$	-	\$	-
App	\$	-	\$	2,000,000	\$	-	\$	-
FTE		0.000		0.000		0.000		0.000

**7 - Department of Public Safety - North Carolina National Guard Joint Forces Headquarters Heli-Pads**

Provides funding for the construction of heli-pads at the Joint Forces Headquarters in Raleigh. Planning was funded in FY 2016-17.

Req	\$	-	\$	2,000,000	\$	-	\$	-
Rec	\$	-	\$	1,000,000	\$	-	\$	-
App	\$	-	\$	1,000,000	\$	-	\$	-
FTE		0.000		0.000		0.000		0.000

**8 - Department of Public Safety - North Carolina National Guard Regional Readiness Center Planning**

Provides funds for advanced planning for the Joint Forces Headquarters complex and revision for the NC Readiness Center Transformation Plan (NCRCTMP).

Req	\$	-	\$	200,000	\$	-	\$	-
Rec	\$	-	\$	50,000	\$	-	\$	-
App	\$	-	\$	150,000	\$	-	\$	-
FTE		0.000		0.000		0.000		0.000

**9 - Department of Public Safety - Confinement in Response to Violation Unit for Females**

Renovates Swannanoa Correctional Center for Women campus to allow for portions to be used for a female Confinement Response to Violation facility (CRV) to further the progress of the Justice Reinvestment Act.

Req	\$	-	\$	2,200,000	\$	-	\$	-
Rec	\$	-	\$	-	\$	-	\$	-
App	\$	-	\$	2,200,000	\$	-	\$	-
FTE		0.000		0.000		0.000		0.000

**10 - North Carolina Central University - Connect NC Bond Supplement**

Provides a supplement for North Carolina Central University's new School of Business project. The funding will be used to purchase land for the new facility. The total funding for this project, inclusive of Connect NC proceeds, will be \$32.0 million.

Req	\$	-	\$	2,000,000	\$	-	\$	-
Rec	\$	-	\$	-	\$	-	\$	-
App	\$	-	\$	2,000,000	\$	-	\$	-
FTE		0.000		0.000		0.000		0.000

**11 - Department of Administration - Administration Building - Asbestos, Roof and Safety Renovations**

Authorizes limited obligation bonds to undertake Phase One of the renovation the Administration Building in Raleigh. Phase One consists of asbestos abatement, roof replacement, elevator replacement, and life safety renovations. The total amount of debt authorized is \$20.0 million.

Req	\$	-	\$	20,000,000	\$	-	\$	-
Rec	\$	-	\$	20,000,000	\$	-	\$	-
App	\$	-	\$	-	\$	-	\$	-
FTE		0.000		0.000		0.000		0.000

**12 - Department of Administration - Chiller Plant Three**

Authorizes limited obligation bonds to construct a third chiller plant for the Downtown Raleigh Capital Complex. The total amount of debt authorized is \$13.7 million.

Req	\$	-	\$	13,705,000	\$	-	\$	-
Rec	\$	-	\$	13,705,000	\$	-	\$	-
App	\$	-	\$	-	\$	-	\$	-
FTE		0.000		0.000		0.000		0.000

**13 - Department of Administration - Brown Rogers Building Renovation**

Authorizes limited obligation bonds to renovate the Brown Rogers Building in Raleigh. The building is currently vacant and will be renovated into office space to accommodate state agencies. The total amount of debt authorized is \$5.0 million.

Req	\$	-	\$	4,978,000	\$	-	\$	-
Rec	\$	-	\$	4,978,000	\$	-	\$	-
App	\$	-	\$	-	\$	-	\$	-
FTE		0.000		0.000		0.000		0.000



**14 - Department of Agriculture and Consumer Services - Forest Service Region 1 Headquarters and Training Facility**

Authorizes limited obligation bonds to design and construct a new regional headquarters and training facility for the NC Forest Service in Lenoir County. The current facility was built in 1942 and is not sufficient for department needs. The total debt authorized is \$6.0 million.

Req	\$	-	\$	6,000,000	\$	-	\$	-
Rec	\$	-	\$	6,000,000	\$	-	\$	-
App	\$	-	\$	-	\$	-	\$	-
FTE		0.000		0.000		0.000		0.000

**15 - Department of Environmental Quality - Morehead City Office Complex Expansion**

Authorizes limited obligation bonds to renovate and expand the Department of Environmental Quality's divisional offices in Carteret County. The project will consolidate the Division of Fisheries and Coastal Management. The total debt authorized is \$16.6 million.

Req	\$	-	\$	16,554,000	\$	-	\$	-
Rec	\$	-	\$	16,554,000	\$	-	\$	-
App	\$	-	\$	-	\$	-	\$	-
FTE		0.000		0.000		0.000		0.000

**16 - Department of Health and Human Services - New Cherry Hospital Maintenance Facility**

Authorizes limited obligation bonds to construct a new maintenance facility for the new Cherry Hospital in Goldsboro. The total amount of debt authorized is \$4.1 million.

Req	\$	-	\$	4,125,000	\$	-	\$	-
Rec	\$	-	\$	4,125,000	\$	-	\$	-
App	\$	-	\$	-	\$	-	\$	-
FTE		0.000		0.000		0.000		0.000

**17 - Department of Health and Human Services - Regional Medical Examiner's Office - Forsyth County**

Authorizes limited obligation bonds to construct a regional Medical Examiner Office in Forsyth County. The facility will provide a full range of autopsy services for the Triad region. The total amount of debt authorized is \$14.2 million.

Req	\$	-	\$	14,201,000	\$	-	\$	-
Rec	\$	-	\$	14,201,000	\$	-	\$	-
App	\$	-	\$	-	\$	-	\$	-
FTE		0.000		0.000		0.000		0.000

**18 - Department of Health and Human Services - Regional Medical Examiner's Office - Pitt County**

Authorizes limited obligation bonds to construct a regional Medical Examiner Office in Pitt County. The facility will provide a full range of autopsy services for the eastern North Carolina region. The total amount of debt authorized is \$13.3 million.

Req	\$	-	\$	13,268,000	\$	-	\$	-
Rec	\$	-	\$	13,268,000	\$	-	\$	-
App	\$	-	\$	-	\$	-	\$	-
FTE		0.000		0.000		0.000		0.000

**19 - Department of Health and Human Services - New Broughton Hospital Maintenance Facility**

Authorizes limited obligation bonds to construct a new maintenance facility for the new Broughton Hospital in Morganton. The total amount of debt authorized is \$5.1 million.

Req	\$	-	\$	5,067,000	\$	-	\$	-
Rec	\$	-	\$	5,067,000	\$	-	\$	-
App	\$	-	\$	-	\$	-	\$	-
FTE		0.000		0.000		0.000		0.000

**20 - Department of Justice - Justice Academy East Dormitory C Renovation**

Authorizes limited obligation bonds to complete the renovation of Dormitory C on the Salemburg Campus of the Eastern Justice Academy. The total amount of debt authorized is \$3.5 million.

Req	\$	-	\$	3,494,000	\$	-	\$	-
Rec	\$	-	\$	3,494,000	\$	-	\$	-
App	\$	-	\$	-	\$	-	\$	-
FTE		0.000		0.000		0.000		0.000

**21 - Department of Justice - Justice Academy West Dormitory Construction**

Authorizes limited obligation bonds to construct a new dormitory at the Edneyville Campus of the Western Justice Academy to accommodate 75 students. The current facility is underutilized due to a lack of bed space. The total amount of debt authorized is \$4.7 million.

Req	\$	-	\$	4,735,000	\$	-	\$	-
Rec	\$	-	\$	4,735,000	\$	-	\$	-
App	\$	-	\$	-	\$	-	\$	-
FTE		0.000		0.000		0.000		0.000

**22 - Department of Justice - Justice Academy East Dormitory B Renovation**

Authorizes limited obligation bonds to complete the renovation of Dormitory B on the Salemburg Campus of the Eastern Justice Academy. The building was originally constructed in 1976 and has received limited renovations. The total amount of debt authorized is \$4.9 million.

Req	\$	-	\$	4,890,000	\$	-	\$	-
Rec	\$	-	\$	4,890,000	\$	-	\$	-
App	\$	-	\$	-	\$	-	\$	-
FTE		0.000		0.000		0.000		0.000

**23 - Department of Natural and Cultural Resources - Fort Fisher New Museum and Visitor Center**

Authorizes limited obligation bonds to construct a new museum and visitor center at the Fort Fisher Historic Site in New Hanover County. The total amount of debt authorized is \$12.5 million.

Req	\$	-	\$	12,500,000	\$	-	\$	-
Rec	\$	-	\$	12,500,000	\$	-	\$	-
App	\$	-	\$	-	\$	-	\$	-
FTE		0.000		0.000		0.000		0.000

**24 - Department of Public Safety - State Bureau of Investigation Building 16 Renovation**

Authorizes limited obligation bonds to renovate the State Bureau of Investigation Building 16 on the Garner Road Campus in Raleigh. The current building is unoccupied and will be renovated into office and dormitory space. The total amount of debt authorized is \$6.8 million.

Req	\$	-	\$	6,800,000	\$	-	\$	-
Rec	\$	-	\$	6,800,000	\$	-	\$	-
App	\$	-	\$	-	\$	-	\$	-
FTE		0.000		0.000		0.000		0.000

**25 - Department of Public Safety - Site Improvements at State Highway Patrol Training Academy**

Authorizes limited obligation bonds for site improvements at the State Highway Patrol Training Academy in Raleigh. The project will consist of new paving, sidewalks, and utilities to further develop the site for additional renovation and construction. The total amount of debt authorized is \$6.1 million.

Req	\$	-	\$	6,137,000	\$	-	\$	-
Rec	\$	-	\$	6,137,000	\$	-	\$	-
App	\$	-	\$	-	\$	-	\$	-
FTE		0.000		0.000		0.000		0.000

**26 - Department of Public Safety - New Armory Building at State Highway Patrol Training Academy**

Authorizes limited obligation bonds to construct a new armory at the State Highway Patrol Training Academy in Raleigh. The total amount of debt authorized is \$4.2 million.

Req	\$	-	\$	4,250,000	\$	-	\$	-
Rec	\$	-	\$	4,250,000	\$	-	\$	-
App	\$	-	\$	-	\$	-	\$	-
FTE		0.000		0.000		0.000		0.000

**27 - Department of Public Safety - New Youth Development Center**

Authorizes limited obligation bonds to construct and furnish a new Youth Development Center contingent on the passage of a bill to raise the age of juvenile criminal jurisdiction. The total amount of debt authorized is \$13.2 million.

Req	\$	-	\$	13,245,000	\$	-	\$	-
Rec	\$	-	\$	13,245,000	\$	-	\$	-
App	\$	-	\$	-	\$	-	\$	-
FTE		0.000		0.000		0.000		0.000

**28 - North Carolina General Assembly - Legislative Office Building Renovation**

Authorizes limited obligation bonds to renovate the Legislative Office Building in Raleigh. The total amount of debt authorized for the project is \$21.8 million.

Req	\$	-	\$	21,800,000	\$	-	\$	-
Rec	\$	-	\$	21,800,000	\$	-	\$	-
App	\$	-	\$	-	\$	-	\$	-
FTE		0.000		0.000		0.000		0.000

**29 - Appalachian State University - Sanford Hall Renovation**

Authorizes limited obligation bonds to renovate Sanford Hall. The total amount of debt authorized is \$12.0 million.

Req	\$	-	\$	12,025,000	\$	-	\$	-
Rec	\$	-	\$	12,025,000	\$	-	\$	-
App	\$	-	\$	-	\$	-	\$	-
FTE		0.000		0.000		0.000		0.000

**30 - East Carolina University - Whichard Building Renovation**

Authorizes limited obligation bonds to renovate the Whichard Building. The total amount of debt authorized is \$6.6 million.

Req	\$	-	\$	6,538,000	\$	-	\$	-
Rec	\$	-	\$	6,538,000	\$	-	\$	-
App	\$	-	\$	-	\$	-	\$	-
FTE		0.000		0.000		0.000		0.000

**31 - Elizabeth City State University - Lester Hall Renovation**

Authorizes limited obligation bonds to renovate Lester Hall. The total amount of debt authorized is \$3.1 million.

Req	\$	-	\$	3,068,000	\$	-	\$	-
Rec	\$	-	\$	3,068,000	\$	-	\$	-
App	\$	-	\$	-	\$	-	\$	-
FTE		0.000		0.000		0.000		0.000

**32 - Fayetteville State University - Storm Water and Sewer Management Upgrades**

Authorizes limited obligation bonds to upgrade and improve the campus water, sewer and storm water management system. The total amount of debt authorized is \$7.9 million.

Req	\$	-	\$	7,938,000	\$	-	\$	-
Rec	\$	-	\$	7,938,000	\$	-	\$	-
App	\$	-	\$	-	\$	-	\$	-
FTE		0.000		0.000		0.000		0.000

**33 - North Carolina Agricultural and Technical State University - Carver Hall Renovation**

Authorizes limited obligation bonds to renovate Carver Hall. The total amount of debt authorized is \$15.8 million.

Req	\$	-	\$	15,816,000	\$	-	\$	-
Rec	\$	-	\$	15,816,000	\$	-	\$	-
App	\$	-	\$	-	\$	-	\$	-
FTE		0.000		0.000		0.000		0.000

**34 - North Carolina Central University - Lee Biology Building Renovation**

Authorizes limited obligation bonds to renovate the Lee Biology Building. The total amount of debt authorized is \$7.2 million.

Req	\$	-	\$	7,184,000	\$	-	\$	-
Rec	\$	-	\$	7,184,000	\$	-	\$	-
App	\$	-	\$	-	\$	-	\$	-
FTE		0.000		0.000		0.000		0.000

**35 - North Carolina School of Science and Mathematics - Living Space Renovation**

Authorizes limited obligation bonds to renovate living space at the School of Science and Mathematics in Durham. The total amount of debt authorized is \$3.0 million.

Req	\$	-	\$	3,001,000	\$	-	\$	-
Rec	\$	-	\$	3,001,000	\$	-	\$	-
App	\$	-	\$	-	\$	-	\$	-
FTE		0.000		0.000		0.000		0.000

**36 - North Carolina State University - Page Hall Renovation**

Authorizes limited obligation bonds to renovate Page Hall. The total amount of debt authorized is \$15.0 million.

Req	\$	-	\$	15,043,000	\$	-	\$	-
Rec	\$	-	\$	15,043,000	\$	-	\$	-
App	\$	-	\$	-	\$	-	\$	-
FTE		0.000		0.000		0.000		0.000

**37 - UNC - Asheville - Phillips Hall Renovation**

Authorizes limited obligation bonds to renovate Phillips Hall. The total amount of debt authorized is \$6.8 million.

Req	\$	-	\$	6,770,000	\$	-	\$	-
Rec	\$	-	\$	6,770,000	\$	-	\$	-
App	\$	-	\$	-	\$	-	\$	-
FTE		0.000		0.000		0.000		0.000

**38 - UNC - Chapel Hill - Gardner Hall Renovation and Phillips Annex Demolition**

Authorizes limited obligation bonds to renovate Gardner Hall and demolish the Phillips Annex. The total amount of debt authorized is \$16.8 million.

Req	\$	-	\$	16,840,000	\$	-	\$	-
Rec	\$	-	\$	16,840,000	\$	-	\$	-
App	\$	-	\$	-	\$	-	\$	-
FTE		0.000		0.000		0.000		0.000

**39 - UNC - Charlotte - Colvard Building Renovation**

Authorizes limited obligation bonds to renovate the Colvard Building. The total amount of debt authorized is \$15.5 million.

Req	\$	-	\$	15,536,000	\$	-	\$	-
Rec	\$	-	\$	15,536,000	\$	-	\$	-
App	\$	-	\$	-	\$	-	\$	-
FTE		0.000		0.000		0.000		0.000

**40 - UNC - Greensboro - Moore Building Renovation**

Authorizes limited obligation bonds to renovate the Moore Building. The total amount of debt authorized is \$12.0 million.

Req	\$	-	\$	12,025,000	\$	-	\$	-
Rec	\$	-	\$	12,025,000	\$	-	\$	-
App	\$	-	\$	-	\$	-	\$	-
FTE		0.000		0.000		0.000		0.000

**41 - UNC - Pembroke - West Hall Renovation**

Authorizes limited obligation bonds to renovate West Hall. The total amount of debt authorized is \$10.1 million.

Req	\$	-	\$	10,118,000	\$	-	\$	-
Rec	\$	-	\$	10,118,000	\$	-	\$	-
App	\$	-	\$	-	\$	-	\$	-
FTE		0.000		0.000		0.000		0.000

**42 - UNC - Wilmington - Alderman Hall Renovation**

Authorizes limited obligation bonds to renovate Alderman Hall. The total amount of debt authorized is \$12.8 million.

Req	\$	-	\$	12,776,000	\$	-	\$	-
Rec	\$	-	\$	12,776,000	\$	-	\$	-
App	\$	-	\$	-	\$	-	\$	-
FTE		0.000		0.000		0.000		0.000

**43 - UNC - School of the Arts - High Point Studio Renovation**

Authorizes limited obligation bonds to renovate School of the Arts owned studio space in High Point for the School of the Arts. The total amount of debt authorized is \$9.3 million.

Req	\$	-	\$	9,302,000	\$	-	\$	-
Rec	\$	-	\$	9,302,000	\$	-	\$	-
App	\$	-	\$	-	\$	-	\$	-
FTE		0.000		0.000		0.000		0.000

**44 - Western Carolina University - Phase One of Boiler Replacement**

Authorizes limited obligation bonds to complete phase one of the boiler replacement. The total project cost is \$37.9 million. The total amount of debt authorized is \$15.0 million.

Req	\$	-	\$	15,013,000	\$	-	\$	-
Rec	\$	-	\$	15,013,000	\$	-	\$	-
App	\$	-	\$	-	\$	-	\$	-
FTE		0.000		0.000		0.000		0.000

**45 - Winston Salem State University - Hauser Hall Renovation**

Authorizes limited obligation bonds to renovate Hauser Hall. The total amount of debt authorized is \$6.0 million.

Req	\$	-	\$	6,007,000	\$	-	\$	-
Rec	\$	-	\$	6,007,000	\$	-	\$	-
App	\$	-	\$	-	\$	-	\$	-
FTE		0.000		0.000		0.000		0.000

Total Change to Requirements	\$	-	\$	392,623,000	\$	-	\$	-
Total Change to Receipts	\$	-	\$	369,482,000	\$	-	\$	-
Total Change to Net Appropriation	\$	-	\$	23,141,000	\$	-	\$	-
Total Change to Full-Time Equivalent (FTE)		0.000		0.000		0.000		0.000

Recommended Net Appropriation Changes (Recurring + Nonrecurring)	\$	23,141,000	\$	-
Recommended Total FTE Changes		0.000		0.000

**Recommended Change Budget for Capital - Non-General Fund (40000)**

Year 1 FY 2017-18	Recommended Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
Requirements	\$ -	\$ -	\$ 35,554,900	\$ 35,554,900	\$ 35,554,900	0.0%
Receipts	\$ -	\$ -	\$ 35,554,900	\$ 35,554,900	\$ 35,554,900	0.0%
CFB	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
Positions (FTE)	0.000	0.000	0.000	0.000	0.000	0.0%

Year 2 FY 2018-19	Recommended Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
Requirements	\$ -	\$ -	\$ 21,937,000	\$ 21,937,000	\$ 21,937,000	0.0%
Receipts	\$ -	\$ -	\$ 21,937,000	\$ 21,937,000	\$ 21,937,000	0.0%
CFB	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
Positions (FTE)	0.000	0.000	0.000	0.000	0.000	0.0%

	FY 2017-18		FY 2018-19	
	Recurring Changes	Nonrecurring Changes	Recurring Changes	Nonrecurring Changes
<b>1 - Department of Natural and Cultural Resources - Museum of Art New Park Pavillion Building</b>				
Authorizes funds to construct a new restroom, visitor's center, informational kiosk, food services, and related support facilities at the Museum of Art in Raleigh.	Req \$ -	\$ 915,300	\$ -	\$ -
	Rec \$ -	\$ 915,300	\$ -	\$ -
	CFB \$ -	\$ -	\$ -	\$ -
	FTE 0.000	0.000	0.000	0.000
<b>2 - Department of Transportation - Repairs and Renovations</b>				
Provides funds to renovate Department of Transportation Facilities throughout the State. (Highway Fund)	Req \$ -	\$ 5,112,700	\$ -	\$ 5,350,000
	Rec \$ -	\$ 5,112,700	\$ -	\$ 5,350,000
	CFB \$ -	\$ -	\$ -	\$ -
	FTE 0.000	0.000	0.000	0.000
<b>3 - Department of Transportation - Greenville DMV/SHP Office and SHP Garage</b>				
Provides funding for design and construction of the Department of Motor Vehicles and State Highway Patrol office building and garage in Pitt County. (Highway Fund)	Req \$ -	\$ 5,344,700	\$ -	\$ 2,190,000
	Rec \$ -	\$ 5,344,700	\$ -	\$ 2,190,000
	CFB \$ -	\$ -	\$ -	\$ -
	FTE 0.000	0.000	0.000	0.000
<b>4 - Department of Transportation - Camp Burton QMS /Resident Engineer's Office</b>				
Provides funds for the design and construction of Quality Management System Lab and Resident Engineer's office in Guilford County. (Highway Fund)	Req \$ -	\$ 1,254,000	\$ -	\$ -
	Rec \$ -	\$ 1,254,000	\$ -	\$ -
	CFB \$ -	\$ -	\$ -	\$ -
	FTE 0.000	0.000	0.000	0.000
<b>5 - Department of Transportation - Local Truck Storage Sheds - Statewide</b>				
Provides funds to replace several local truck storage sheds throughout the State. (Highway Fund)	Req \$ -	\$ 2,674,200	\$ -	\$ 2,869,000
	Rec \$ -	\$ 2,674,200	\$ -	\$ 2,869,000
	CFB \$ -	\$ -	\$ -	\$ -
	FTE 0.000	0.000	0.000	0.000



**6 - Department of Transportation - Anson County Blacksmith Shop**

Provides funding for the design and construction of a blacksmith shop on existing site in Anson County. (Highway Fund)

Req	\$	-	\$	195,000	\$	-	\$	-
Rec	\$	-	\$	195,000	\$	-	\$	-
CFB	\$	-	\$	-	\$	-	\$	-
FTE		0.000		0.000		0.000		0.000

**7 - Department of Transportation - Gaston County Equipment Sub-Shop**

Provides funding for the construction equipment sub-shop in Gaston County. (Highway Fund)

Req	\$	-	\$	2,409,000	\$	-	\$	-
Rec	\$	-	\$	2,409,000	\$	-	\$	-
CFB	\$	-	\$	-	\$	-	\$	-
FTE		0.000		0.000		0.000		0.000

**8 - Department of Transportation - Chatham County Eight-Bay Truck Shed**

Provides funding for the design and construction of an eight-bay truck shed in Chatham County. (Highway Fund)

Req	\$	-	\$	-	\$	-	\$	1,494,000
Rec	\$	-	\$	-	\$	-	\$	1,494,000
CFB	\$	-	\$	-	\$	-	\$	-
FTE		0.000		0.000		0.000		0.000

**9 - Department of Transportation - Lee County Resident Engineer's Office**

Provides funding for the design and construction of a Resident Engineer's office in Sanford. (Highway Fund)

Req	\$	-	\$	-	\$	-	\$	1,198,000
Rec	\$	-	\$	-	\$	-	\$	1,198,000
CFB	\$	-	\$	-	\$	-	\$	-
FTE		0.000		0.000		0.000		0.000

**10 - Department of Transportation - Watauga County District Engineer's Office**

Provides funding for the design and construction of a District Engineer's Office in Watauga County. (Highway Fund)

Req	\$	-	\$	-	\$	-	\$	1,165,000
Rec	\$	-	\$	-	\$	-	\$	1,165,000
CFB	\$	-	\$	-	\$	-	\$	-
FTE		0.000		0.000		0.000		0.000

**11 - Department of Transportation - Surry County District Engineer's Office**

Provides funding for the design and construction of a new District Engineer's Office in Surry County. (Highway Fund)

Req	\$	-	\$	-	\$	-	\$	1,197,000
Rec	\$	-	\$	-	\$	-	\$	1,197,000
CFB	\$	-	\$	-	\$	-	\$	-
FTE		0.000		0.000		0.000		0.000

**12 - Department of Transportation - Guilford County Bridge/Bridge Maintenance Assembly**

Provides funding for the design and construction of a bridge and bridge maintenance in Guilford County. (Highway Fund)

Req	\$	-	\$	-	\$	-	\$	1,024,000
Rec	\$	-	\$	-	\$	-	\$	1,024,000
CFB	\$	-	\$	-	\$	-	\$	-
FTE		0.000		0.000		0.000		0.000

**13 - Department of Transportation - Asset Management Long Range Facility Planning**

Authorizes funds for long range site planning across the State at larger DOT facilities. (Highway Fund)

Req	\$	-	\$	250,000	\$	-	\$	250,000
Rec	\$	-	\$	250,000	\$	-	\$	250,000
CFB	\$	-	\$	-	\$	-	\$	-
FTE		0.000		0.000		0.000		0.000

**14 - Wildlife Resources Commission - Setzer Hatchery Building Replacement**

Authorizes funds to construct a new hatchery building, including office space at Setzer Hatchery. The building will include 4,000 sq. ft. of office space and a work area.

Req	\$	-	\$	750,000	\$	-	\$	-
Rec	\$	-	\$	750,000	\$	-	\$	-
CFB	\$	-	\$	-	\$	-	\$	-
FTE		0.000		0.000		0.000		0.000

**15 - Wildlife Resources Commission - Setzer Hatchery Raceways Replacements**

Authorizes funds to replace the existing aged fish hatchery raceways that are beyond repair at Setzer Hatchery.

Req	\$	-	\$	4,500,000	\$	-	\$	-
Rec	\$	-	\$	4,500,000	\$	-	\$	-
CFB	\$	-	\$	-	\$	-	\$	-
FTE		0.000		0.000		0.000		0.000

**16 - Wildlife Resources Commission - Butner Lab and Storage Building**

Authorizes funds to construct new Butner lab, office, and storage space. This includes 1,920 sq. ft. of office space and 2,625 sq. ft. of storage space.

Req	\$	-	\$	500,000	\$	-	\$	-
Rec	\$	-	\$	500,000	\$	-	\$	-
CFB	\$	-	\$	-	\$	-	\$	-
FTE		0.000		0.000		0.000		0.000

**17 - Wildlife Resources Commission - Burnsville Depot**

Authorizes funds to construct a new office and equipment storage facility at Burnsville Depot. This includes 4,000 sq. ft. of office and equipment storage.

Req	\$	-	\$	500,000	\$	-	\$	-
Rec	\$	-	\$	500,000	\$	-	\$	-
CFB	\$	-	\$	-	\$	-	\$	-
FTE		0.000		0.000		0.000		0.000

**18 - Wildlife Resources Commission - Shooting Ranges - New**

Authorizes funds to construct a new shooting range facility at a location to be determined. The range would include facilities for rifle, pistol, trap and skeet, and archery.

Req	\$	-	\$	1,000,000	\$	-	\$	1,000,000
Rec	\$	-	\$	1,000,000	\$	-	\$	1,000,000
CFB	\$	-	\$	-	\$	-	\$	-
FTE		0.000		0.000		0.000		0.000

**19 - Wildlife Resources Commission - Agency Land Acquisition**

Authorizes funds to acquire land from willing sellers to conserve and enhance the abundance and diversity of fish and wildlife.

Req	\$	-	\$	7,000,000	\$	-	\$	3,000,000
Rec	\$	-	\$	7,000,000	\$	-	\$	3,000,000
CFB	\$	-	\$	-	\$	-	\$	-
FTE		0.000		0.000		0.000		0.000

**20 - Wildlife Resources Commission - Agency Infrastructure Repair and Renovation**

Authorizes funds to maintain WRC's infrastructure through general repairs and renovations.

Req	\$	-	\$	1,500,000	\$	-	\$	-
Rec	\$	-	\$	1,500,000	\$	-	\$	-
CFB	\$	-	\$	-	\$	-	\$	-
FTE		0.000		0.000		0.000		0.000

**21 - Wildlife Resources Commission - Boating Access Areas - Repairs and Renovations**

Authorizes funds to maintain boating access areas across the state.

Req	\$	-	\$	900,000	\$	-	\$	900,000
Rec	\$	-	\$	900,000	\$	-	\$	900,000
CFB	\$	-	\$	-	\$	-	\$	-
FTE		0.000		0.000		0.000		0.000

**22 - Wildlife Resources Commission - Outer Banks Education Center Air Handlers**

Authorizes funds to replace air handlers at the Outer Banks Education Center due to saltwater corrosion in the air conditioning and heating units.

Req	\$	-	\$	-	\$	-	\$	300,000
Rec	\$	-	\$	-	\$	-	\$	300,000
CFB	\$	-	\$	-	\$	-	\$	-
FTE		0.000		0.000		0.000		0.000

**23 - Wildlife Resources Commission - Bolivia Depot**

Authorizes funds to construct a new office and equipment storage facility at Bolivia Depot. This facility would provide a more centralized and secure storage and work facility.

Req	\$	-	\$	750,000	\$	-	\$	-
Rec	\$	-	\$	750,000	\$	-	\$	-
CFB	\$	-	\$	-	\$	-	\$	-
FTE		0.000		0.000		0.000		0.000
<hr/>								
Total Change to Requirements	\$	-	\$	35,554,900	\$	-	\$	21,937,000
Total Change to Receipts	\$	-	\$	35,554,900	\$	-	\$	21,937,000
Change in Fund Balance (CFB)	\$	-	\$	-	\$	-	\$	-
Total Change to Full-Time Equivalent (FTE)		0.000		0.000		0.000		0.000
<hr/>								
Change in Fund Balance	\$	-	\$	-	\$	-	\$	-
Recommended Total FTE Changes		0.000		0.000		0.000		0.000



**Jayne Nelson (Rep. Jon Hardister)**

**From:** Daniel Sater (Fiscal Research)  
**Sent:** Friday, March 24, 2017 02:32 PM  
**To:** Rep. Justin Burr; Rep. Jon Hardister; Dina Long (Rep. Justin Burr); Jayne Nelson (Rep. Jon Hardister)  
**Cc:** David Vanderweide (Fiscal Research); Timothy Dale (Fiscal Research)  
**Subject:** R&R Agency Requests  
  
**Follow Up Flag:** Flag for follow up  
**Flag Status:** Flagged

Chairs,

In response to Rep. Burr's question during the meeting on Tuesday about the total agency request for repairs and renovations, OSBM has sent the following

	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23
General Fund Need	\$133,354,334	\$79,089,110	\$65,051,161	\$51,631,395	\$55,350,917	\$57,915,417

Please note that some agencies only responded with their Year 1 need, with a declining response afterward.

Let me know if you need any further information.

Thanks  
Daniel

Daniel Sater  
 Senior Fiscal Analyst, Fiscal Research Division  
 Capital/Information Technology  
 Phone: 919-733-4910



3-21-17

## VISITOR REGISTRATION SHEET

HOUSE APPROPRIATIONS - CAPITAL

Name of Committee

Date

3/21/17

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Thomas Riddick

NCDOT

Lou TURNER

DHHS / DPH

Mark Lanier

UNCW

MATTHEW CONGOBARD

NC DOT

Dana Phillips

NC DOT

Gwen Earp

NC DOT

Bill Stovall

NC DPS

Kenny Cook

NCNG

Bob May

NCNG

Byron Milder

NC SBA

DARRIN ENGEL

NCDEQ-DWM

Luke Hoff

NC DHHS

Charlie Aewse OSBM

Tim Walton

DOA State Property

John Webb

DOA State Property

Kristin Walker

OSBM

Name	Firm or Agency and Address
Richard Bostic	NC SBA
Mark Bordo	OSBM
Monica Scott	OSBM
Andrew Shaw	OSBM
Jim Lora	OSBM
Nathan Knutman	UNCGA
Will Johnson	UNCGA
Blair Borgsuk	RA - Rep. Burns
Kim Siomkes	NCRCA
Michael Shelton	NC DEQ
Ben Whittington	NC DEQ
Betsy Bailey	CHGC
Lex Jones	DNCR
Andy Miller	DEQ
Thomas Cheek	OSBM

**House Pages  
Assignments  
Tuesday, March 21, 2017  
Session: 1:00 PM**

<b>Committee</b>	<b>Room</b>	<b>Time</b>	<b>Staff</b>	<b>Comments</b>	<b>Member</b>
Appropriations on General Government and Information Technology	425	8:30 AM	Joshua Babson		Rep. William Brisson
			Akirah Graves		Rep. Rodney Moore
Appropriations on Health and Human Services	643	8:30 AM	Autumn Brisson		Rep. William Brisson
			Kailey Gause		Rep. William Brisson
Appropriations on Justice and Public Safety	415	8:30 AM	Colin Konieczka		Rep. Linda Hunt- Williams
			Garrett Penley		Rep. Julia Howard
Appropriations, Education	Other	8:30 AM	Connor Scanlon		Rep. Joe John
			Kayla Yarborough		Rep. Dean Arp
Appropriations, Transportation	1027/1128	8:30 AM	Lily Ahlin		Rep. George Cleveland
			Blake Bellanger		Rep. Larry Bell
Education - K-12	643	10:00 AM	Autumn Brisson		Rep. William Brisson
			Kailey Gause		Rep. William Brisson
Appropriations, Capital	415	11:00 AM	Colin Konieczka		Rep. Linda Hunt- Williams



**House Pages  
Assignments  
Tuesday, March 21, 2017**

Committee	Room	Time	Staff	Comments	Member
			Connor Scanlon		Rep. Joe John
Transportation	643	11:00 AM	Blake Bellanger		Rep. Larry Bell
			Garrett Penley		Rep. Julia Howard
Education - Community Colleges	1228/1327	1:00 PM	Lily Ahlin		Rep. George Cleveland
			Joshua Babson		Rep. William Brisson
Judiciary II	421	1:00 PM	Akirah Graves		Rep. Rodney Moore
			Kayla Yarborough		Rep. Dean Arp





**NORTH CAROLINA HOUSE OF REPRESENTATIVES  
COMMITTEE MEETING NOTICE  
AND  
BILL SPONSOR NOTIFICATION  
2017-2018 SESSION**

You are hereby notified that the **House Committee on Appropriations, Capital** will meet as follows:

**DAY & DATE:** Tuesday, March 28, 2017

**TIME:** 11:00 AM

**LOCATION:** 421 LOB

**COMMENTS:** Presentations from the School Board Association/County Commissioners and the NC National Guard.

Respectfully,

Representative Justin P. Burr, Co-Chair

Representative Jon Hardister, Co-Chair

I hereby certify this notice was filed by the committee assistant at the following offices at 8:52 AM on Monday, March 27, 2017.

\_\_\_\_ Principal Clerk  
\_\_\_\_ Reading Clerk – House Chamber

Dina Long (Committee Assistant)



# **House Appropriations Committee on Capital**

Rep. Justin Burr

Rep. Jon Hardister

---

*Tuesday, March 28, 2017 11:00am  
Room 421 Legislative Office Building*

**1. Welcome and Opening Comments:**

Rep. Justin Burr, Presiding

**2. North Carolina National Guard Capital History and Requests**

Kenny Cook, North Carolina National Guard

**3. Public School Capital Needs and Funding**

Richard Bostic, North Carolina School Boards Association

Johanna Reese, North Carolina Association of County Commissioners

**4. Committee Discussion**

**5. Adjourn**



**House Committee on Appropriations, Capital**  
**Tuesday, March 28, 2017 at 11:00 AM**  
**Room 421 of the Legislative Office Building**

**MINUTES**

The House Committee on Appropriations, Capital met at 11:00 AM on March 28, 2017 in Room 421 of the Legislative Office Building. Representatives Brockman, Hardister, and Quick attended.

Chairman Jon Hardister, presided.

Members and visitors heard the following presentations:

**Status of Armory National Guard Capital Projects** - WO1 Kenny Cook of the Construction Facilities Management Office presented on National Guard projects, scope of work, status of funding and the way ahead.

**Public School Facility Needs** - Richard Bostic of the North Carolina School Boards Association presented on statewide facility needs, LEAs and state role in public school capital. Johanna Reese of the North Carolina Association of County Commissioners presented on goals, bonds, lottery funding and current legislation.

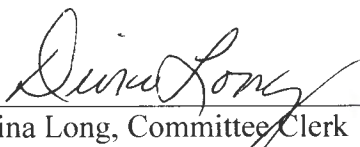
Chairman Hardister asked for questions from members. Additional research on questions will be provided to members.

Representative Susan Martin attended and was recognized for sponsoring current legislation **HB333 - Local Options Sales Tax Flexibility**. She referred members to Trina Griffin in the Legislative Analysis Division for additional information.

Handouts were provided and made a part of the Minutes.

The meeting adjourned at 11:45 A.M.

  
\_\_\_\_\_  
Representative Jon Hardister  
Presiding

  
\_\_\_\_\_  
Dina Long, Committee Clerk





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# Status of Armory National Guard Capital Projects



**Construction Facilities Management Office**  
**WO1 Kenny Cook**



Status of National Guard Armory Projects

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# Agenda



- **State Appropriations – National Guard Projects**
  - 2013-15
  - 2015-17
- **Overview Scope of Work**
- **Status of Funding**
  - 2013-15 Project List
  - 2015-17 Project List
  - Other Capital Funding Summary
  - Repair and Renovation Summary
- **The Way Ahead**



Status of National Guard Armory Projects

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# State Appropriations 2013-2015



## NATIONAL GUARD PROJECTS

SECTION 36.11.(a) The Department of Public Safety shall allocate funds for National Guard capital projects during the 2013-2015 fiscal biennium in accordance with the schedule that follows. These funds will provide a State match for an estimated twenty-one million dollars (\$21,000,000) in federal funds. The projects authorized, the allocation of State funds for each project, and the total project cost authorized for each project are as follows:

	Name of Project	State Fund Allocation	Total Project Cost
(1)	Wilmington Building Expansion/Rehab	\$ 375,000	\$ 1,125,000
(2)	Wilmington Site Expansion/Rehab	250,000	1,250,000
(3)	Nashville Building Expansion/Rehab	375,000	1,125,000
(4)	Nashville Site Expansion/Rehab	250,000	1,250,000
(5)	Clinton Building Expansion/Rehab	375,000	1,125,000
(6)	Clinton Site Expansion/Rehab	250,000	1,250,000
(7)	Salisbury Building Expansion/Rehab	375,000	1,125,000
(8)	Salisbury Site Expansion/Rehab	250,000	1,250,000
(9)	Parkton Building Expansion/Rehab	375,000	1,125,000
(10)	Parkton Site Expansion/Rehab	250,000	1,250,000
(11)	Benson Building Expansion/Rehab	375,000	1,125,000
(12)	Benson Site Expansion/Rehab	250,000	1,250,000
(13)	Charlotte Building Expansion/Rehab	375,000	1,125,000
(14)	Asheboro Site Expansion/Rehab	250,000	1,250,000
(15)	Winston-Salem Building Expansion/Rehab	375,000	1,125,000
(16)	Winston-Salem Site Expansion/Rehab	250,000	1,250,000
(17)	Concord Building Expansion/Rehab	375,000	1,125,000
(18)	Concord Site Expansion/Rehab	250,000	1,250,000
(19)	Burlington Site Expansion/Rehab	375,000	1,125,000
(20)	Albemarle Site Expansion/Rehab	375,000	1,125,000
(21)	Belmont Building Rehab	375,000	1,125,000
(22)	Beulaville Building Expansion/Rehab	375,000	1,125,000
(23)	Boone Building Expansion/Rehab	375,000	1,125,000
(24)	Dunn Building Expansion/Rehab	375,000	1,125,000
(25)	Durham Building Expansion/Rehab	375,000	1,125,000
<b>TOTALS</b>		<b>\$ 8,250,000</b>	<b>29,250,000</b>



## Status of National Guard Armory Projects

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# State Appropriations 2015-2017



## CAPITAL APPROPRIATIONS/GENERAL FUND

**SECTION 28.1.** There is appropriated from the General Fund for the 2015-2017 fiscal biennium the following amounts for capital improvements:

<b>Capital Improvements – General Fund</b>	<b>2015-2016</b>	<b>2016-2017</b>
Department of Public Safety		
National Guard Major Renovation	618,000	5,087,500



Status of National Guard Armory Projects

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# Overview Scope of Work



Building Scope Description
Roof Repairs or Replacement
Asbestos Abatement (Entire Building)
Lead Abatement in Firing Range
Window/Entry Door Replacement
Remove/Replace wood stud walls to meet code
Electrical Power Distribution Upgrade
Interior Lighting Repairs/Replacement
HVAC Replacement/ Upgrades for Office Areas
Add/Upgrade Fire Alarm System
Natural Gas Hook-Up/Oil tank Removal
Install Sprinkler System
Install A-Phone Security System
Replace Ceiling
Replacement VCT Floor
Bathroom Upgrades/Updates to make ADA
Vault Addition (200 SF)
Remodel 1100 SF for Supply Room
IT DEMARC Reconfiguration/Separate IT Room
IT Infrastructure Rewire and P/A System Install
Install High Security Storage Cages
Kitchen Renovation
Drill Hall Improvements (Walls, Ceiling, Floors)
Painting

Site Scope Description
Repair and Expand MOV to meet MTOE requirements
Repair and Expand POV Parking to meet unit strength requirements
Upgrades to meet AT/FP Fencing standards
Curb & Gutter AT/FP upgrades that are meet ADA requirements
Install/Upgrade Security Site Lighting
Concrete Dumpster Pad/Fence
Route Downspouts/Cleanouts attach to DI or daylight
Stormwater/Drainage Improvements (BMP)
Install/Upgrade Security Site Lighting
Landscape Maintenance and Improvements for AT/FP
Vehicle restraint cable for AT/FP
Emergency Power & Automatic Transfer Switch
Replace Flag Pole/Lights
Upgrade of Facility Sign
Replace Sewer/Water Lines to Structure
Clear Trees for AT/FP Stand-Off
Additional Force Protection



Status of National Guard Armory Projects

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# State Fiscal Year 2013-15



**\$8,250,000.00 State Fund Allocation**

- **14 Projects completed**
  - Invoiced State Portion **\$4.461M**
  - Invoiced Federal Portion **\$11.1M**
  
- **1 Project currently under construction**
  - **Salisbury Building**
    - Invoiced State Portion **\$31.1K**
    - Invoiced Federal Portion **\$68.4K**
  
- **4 Projects in design review / bidding process**
  - Projected State Portion **\$1.375M**
  - Projected Federal Portion **\$3.225M**
  
- **Remaining Project Funds – Expected completion Federal Fiscal Year 2018**
  - Approximate State Portion **\$1.73M**
  - Approximate Federal Portion **\$5.99M**

**Note: Federal funds have been limited due to fiscal constraints.**

**Federal Continuing Resolution (CR) has limited the amount of projects per year**



**Status of National Guard Armory Projects**

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# State Fiscal Year (FFY) 2015-17



**\$5,705,500.00 State Fund Allocation**

- **2 Projects under contract for design (Jacksonville and Elizabeth City)**
  - Invoiced State Portion      **\$84.5K**
  - Invoiced Federal Portion      **\$119.4K**
- **Jacksonville construction Federal Funds requested for FFY 2017**
  - Estimated State Portion      **\$2.137M**
  - Estimated Federal Portion      **\$2.35M**
- **Elizabeth City construction Federal Funds requested for FFY 2018**
  - Projected State Portion      **\$2.013M**
  - Projected Federal Portion      **\$2.35M**
- **2 Design Projects waiting federal funds in FFY 2018 (Louisburg and Reidsville)**
  - Approximate State Portion      **\$474K**
  - Approximate Federal Portion      **\$474K**

**Note: Federal funds have been limited due to fiscal constraints.**

**Federal Continuing Resolution (CR) has limited the amount of projects per year**



**Status of National Guard Armory Projects**

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# Other Capital Projects



- **DuPont Forest Building Design**
  - Total Appropriation \$250K
  - Invoiced Amount \$138.5K
  - Remaining Amount \$111.5K
  
- **Helipad Design (JFHQ Complex)**
  - Total Appropriation \$69K
  - Invoiced Amount \$0
  - Remaining Amount \$69K

(Note: Expected design award date JUN 17')
  
- **Camp Butner Land Purchases**
  - Total Appropriation \$250K
  - Invoiced Amount \$185.4K
  - Remaining Amount \$64.6K
  
- **Wilkes County**
  - Approximate State Portion \$300K
  - Approximate Federal Portion \$0



Status of National Guard Armory Projects

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# Repair and Renovation

- Repair and Renovation (Various Categories from (2) previous allocations)
  - Total Appropriation Approx. \$3.0M
  - Total Fed Received Approx. \$1.84M
  - Est Fed Remaining Amount \$844.3K
  
- Repair and Renovation (Current)
  - Total Appropriation \$427.7K
  - Invoiced Amount \$0
  - Est Fed Amount \$683.1K

## 100% Federal Funds

- FY16 \$1.363M
  
- FY17 \$2.151M

**Note:** These funds are used to maintain the NCNG Surface Maintenance Equipment Facilities, Aviation Facilities, and Training Sites (Fort Fisher and Camp Butner)



Status of National Guard Armory Projects

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# The Way Ahead



- **Execute projects in accordance with the NCNG's Facility Development Plan.**
- **The following projects are scheduled to begin in the next biennium:**
  - **Louisburg Readiness Center**
  - **Reidsville Readiness Center**
  - **Goldsboro Readiness Center**



Status of National Guard Armory Projects

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# Burlington Site



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# Durham Building



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# Questions?



Status of National Guard Armory Projects

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## PUBLIC SCHOOL FACILITY NEEDS

Richard Bostic  
North Carolina School Boards Association



Johanna Reese  
North Carolina Association of County  
Commissioners



PRESENTATION TO THE HOUSE  
APPROPRIATIONS COMMITTEE ON  
CAPITAL

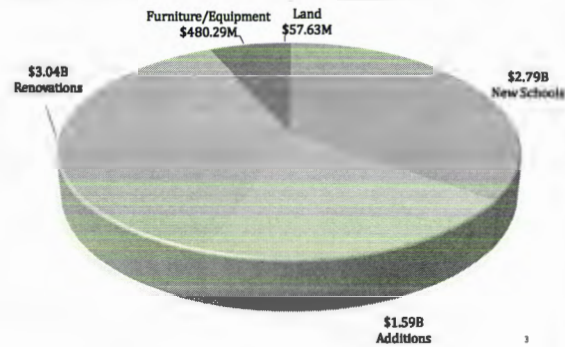
## Statewide Facility Needs Survey 2015-16

- Local Boards of Education required to submit facility needs **every five years**  
§G.S. 115C-521(a))
- Compiled by DPI School Planning Section

### Five-Year Public School Facility Needs

\$7,956,730,15

107 LEAs



### Facility Needs Examples

- 118 New Schools
- 459 School Additions
  - 322 schools need new classrooms
- 1,560 School Renovations
  - Largest request is for Plumbing, HVAC, and Electrical Work

### How Much Does it Cost to Build a School?

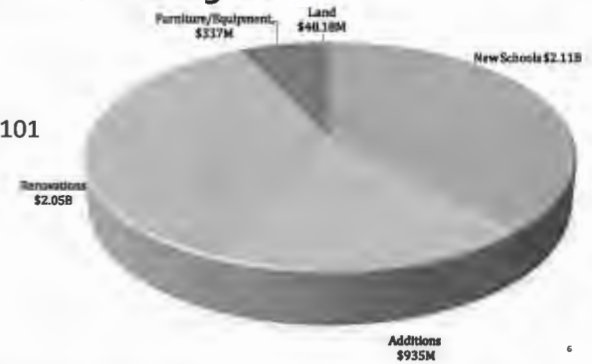


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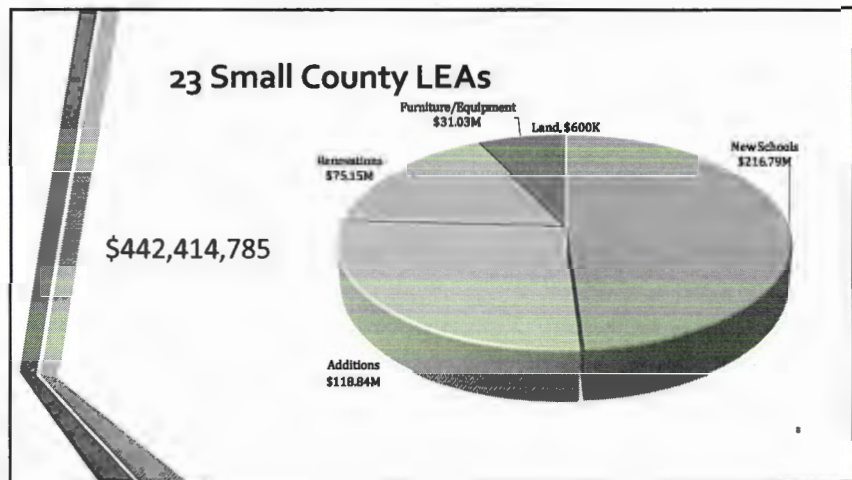
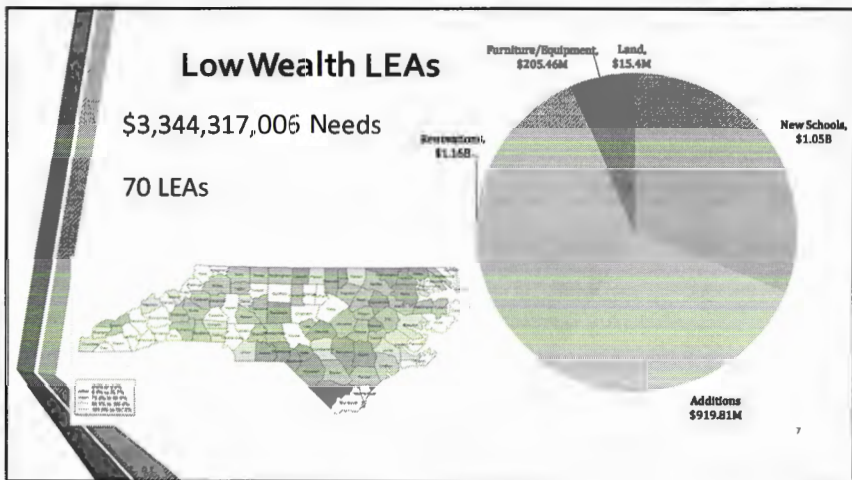
### LEAs w/ Growing ADM

\$5,481,029,101

36 LEAs



6





### LEAs by Tiers

	<u>Tier 1 LEAs</u>	<u>Tier 2 LEAs</u>	<u>Tier 3 LEAs</u>
New Schools	\$448,949,763	\$534,925,666	\$1,803,515,470
Additions	\$297,708,026	\$843,996,689	\$448,442,085
Renovations	\$372,207,159	\$1,342,780,770	\$1,326,275,918
Furniture/Equipment	\$79,070,794	\$198,489,266	\$202,734,999
Land	<del>\$2,512,000</del>	<del>\$12,013,763</del>	<del>\$43,107,780</del>
	\$1,200,447,742	\$2,932,206,154	\$3,824,076,252

9

### State Role in Public School Capital

#### C. Constitution Article IX, Section 2

- The General Assembly may assign to units of local government such responsibility for the financial support of the free public schools as it may deem appropriate.
- The governing boards of units of local government with financial responsibility for public education may use local revenues to add to or supplement any public school or postsecondary school program.

10

## State Role in Public School Capital

### §G.S. 115C-521(a))

- (b) .....it is the policy of the State of North Carolina to provide from State revenue sources the instructional expenses for current operations of the public school system as defined in the standard course of study.
- It is the policy of the State of North Carolina that the facilities requirements for a public education system will be met by county governments.

12



13

### N.C. School Boards Association – Legislative Agenda School Construction/Capital Funding

- The General Assembly needs to develop methods to assist school districts in handling this staggering backlog in order to better serve students. NCSBA believes the best way to help districts is through a two-pronged approach:
  - A significant one-time infusion of dollars in the form of a statewide bond.
  - Set up dedicated funding streams so that districts have ongoing access to school capital funds from the State, which could be done by returning the lottery allocation for school construction to 40% and/or establishing more local option sales taxes for school construction.



13

### N.C. Association of County Commissioners – Legislative Goals

- Seek legislation to establish a new state-county partnership to address statewide public school capital challenges--including but not limited to maintenance, renovation, construction and debt--through a dedicated, stable funding stream that is consistent from county to county and sufficient to meet the school facility needs of all 100 counties.



14

## General Obligation Bonds

15

## 39 County Bond Issues Approved Since 2005

- Total Amount = \$6.1 Billion
- Counties
  - 28 Counties
  - Wake (2) = \$1.8 billion
  - Mecklenburg (2) = \$806 million
  - Forsyth (3) = \$638.6 million
- Tiers
  - Tier 1 = \$42.1 million
  - Tier 2 = \$1.1 billion
  - Tier 3 = \$5.0 billion

16

### Statewide Public School Bonds

1949	\$50 million
1953	\$50 million
1963	\$100 million
1973	\$300 million
1995	\$1.8 billion

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### Highlights of 1995 Bond

- \$30M set aside for small county LEAs
- 40% of funds allotted by ADM
- 35% of funds allotted by ability to pay
- 25% of funds allotted by high growth
- Counties had to match ADM and High Growth allotments

18

### State Debt Affordability (in Millions)

	2017-18	2018-19	2019-20	2020-21	2021-22
<b>Debt Capacity with OPEB</b>					
Total Additional Debt Capacity per Year	\$1,268.3	\$56.3	\$39.7	\$40.9	\$42.2
Debt Capacity Available each and every Year	\$181.0	\$181.0	\$181.0	\$181.0	\$181.0
<b>Debt Capacity without OPEB</b>					
Total Additional Debt Capacity per Year	\$1,594.1	\$0.0	\$220.1	\$549.5	\$674.5
Debt Capacity Available each and every Year	\$591.0	\$591.0	\$591.0	\$591.0	\$591.0

Note: OPEB = Other Post Employment Benefits

Source: N.C. Department of State Treasurer Debt Affordability Study; Committee Draft January 30, 2017 and Final Report February 1, 2017

### 2017 Bond Allocations to Consider

- ADM
- ADM Growth over 5 Years
- Economic Tiers
- Low Wealth
- Small Counties
- Local Match

### Bond Assumptions

- Election in 2018
- Bond payouts beginning in FY 2018-19
- Bond payouts spread over 6 years
- 20 year repayment (fixed principal payments)
- Assume 5.75% interest rate

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### School Bond Issuance

• If the bond issuance is follows:	FY 2018-19	\$95,000,000
	FY 2019-20	\$285,000,000
	FY 2020-21	\$570,000,000
	FY 2021-22	\$570,000,000
	FY 2022-23	\$190,000,000
	FY 2023-24	\$190,000,000

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### Estimated State Debt Service

FY 2018-19	\$5,483,000
FY 2019-20	\$26,409,430
FY 2020-21	\$72,737,320
FY 2021-22	\$132,218,530
FY 2022-23	\$168,943,630
FY 2023-24	\$186,120,390

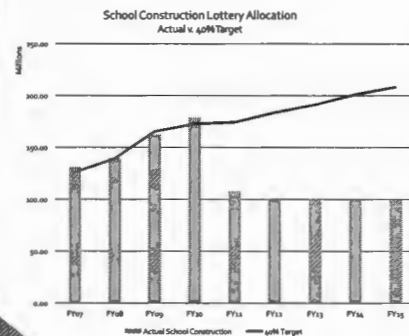
23

### NC EDUCATION LOTTERY Proceeds to Public School Building Capital Fund

24



## NC Education Lottery



- Originally, counties received 40% of the lottery proceeds, which were dedicated to education for their school construction needs.
- The legislature now provides a "lump sum" appropriation of \$100 million statewide, a percentage equal to roughly 15% of the lottery proceeds dedicated to education (less than 1/2 of what would have been distributed).
- 75% of the lottery funds allocated to counties between 2011 and 2015 were spent on debt service rather than new construction.<sup>25</sup>

## PROPOSAL

- Restore statutory language to direct specified percentage of lottery proceeds to PSBCF
- Direct all growth in proceeds to PSBCF
- Direct all revenue greater than projections to PSBCF
- Distribution:
  - One portion based on low wealth/revenue generation
  - One portion based on ADM
  - Possible consideration given to facility needs and high-growth

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### **CURRENT LAW Article 43**

- Public transit only
- $\frac{3}{4}$  or  $\frac{1}{2}$  cent
- 6 counties authorized; 4 counties levy
- Other counties do not need for public transit

29

### **CURRENT LAW Article 46**

- General purpose
- $\frac{3}{4}$  cent
- All counties authorized; 31 counties levy
- Referendum required

30

## PROPOSAL

- Expand Article 43 to public education uses
- Increase Article 46 to ½ cent
- Does not raise current caps
- Gives counties additional revenue for school capital needs

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## CURRENT LEGISLATION

- H333 Local Option Sales Tax Flexibility
  - S Martin, Hunter, Watford, Saine
- S166 Expand Local Option Sales Tax for Education
  - Randleman
- H437 Expand Local Option Sales Tax for Education
  - Rogers

32

### Contact Information

- Richard Bostic:  
[rbostic@ncsba.org](mailto:rbostic@ncsba.org) 919-747-  
6677 (office)  
919-971-9251 (cell)



- Johanna Reese: [johanna.reese@ncacc.org](mailto:johanna.reese@ncacc.org)  
919-606-1327 (cell)



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# VISITOR REGISTRATION SHEET

HOUSE APPROPRIATIONS, CAPITAL

Name of Committee

3-28-2017

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Johanna Reese	NCA CC
Colin Cayser	NTO
Kirk Rees	W-PO
Anna Milder	NCSBA
Michael Bostic	NCSBA
Gene Byrd	NCFPL
Juanita King	Vista Statues
Benjamin Hollenbeck	Hollenbeck Group Inc
Adam Prodenore	NCA SA
Tracy McBride	NCPAA
Hugh Johnson	NCA CC





# VISITOR REGISTRATION SHEET

HOUSE APPROPRIATIONS, CAPITAL

Name of Committee

3-28-2017

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Carman Thie	MVA
LAURA DUNYER	MWC
Sarah Hardin	NCEL
Monika Scott	OSBM
Marle Bonds	OSBM
Matt Ellinwood	NCJC
Dwice Green	Trouman Shubert
Henry M Lancaster	LCA
Alex Gossye	Off State Superintendent



## VISITOR REGISTRATION SHEET

HOUSE APPROPRIATIONS, CAPITAL

Name of Committee

3-28-2017

Date \_\_\_\_\_

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

NAME \_\_\_\_\_

FIRM OR AGENCY AND ADDRESS

David Cranford

AIA NC

Betsy Bailey

CAGC



Committee Sergeants at Arms

NAME OF COMMITTEE Appropriations , Capital

DATE: 3-28-2017 Room: 421

House Sgt-At Arms:

1. Name: Bill Bass
2. Name: Mark Cone
3. Name: Will Crocker
4. Name: Bill Moore
5. Name: \_\_\_\_\_

Senate Sgt-At Arms:

1. Name: \_\_\_\_\_
2. Name: \_\_\_\_\_
3. Name: \_\_\_\_\_
4. Name: \_\_\_\_\_
5. Name: \_\_\_\_\_



**House Pages  
Assignments  
Tuesday, March 28, 2017  
Session: 2:00 PM**

Committee	Room	Time	Staff	Comments	Member
Education - K-12	643	10:00 AM	Megan Hammaker		Rep. Kevin Corbin
			Diamond Smith		Rep. Speaker Tim Moore
			Situna Taliau		Rep. Speaker Tim Moore
			Sydney Todd		Rep. Speaker Tim Moore
Regulatory Reform	1228/1327	10:00 AM	Kevin Molina-Guevara		Rep. Speaker Tim Moore
			Anthony Vincent		Rep. Speaker Tim Moore
Appropriations, Capital	421	11:00 AM	Darius Bellamy		Rep. Speaker Tim Moore
			Hunter Freeman		Rep. Speaker Tim Moore
Transportation	643	11:00 AM	Jon Edmonston		Rep. Grier Martin
			Naiia Pullen		Rep. Speaker Tim Moore
			Ubaldo Velasco-Lopez		Rep. Speaker Tim Moore
			Benjamin Williams		Rep. Marvin Lucas

11 12 13



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**Jayne Nelson (Rep. Jon Hardister)**

---

**From:** Jayne Nelson (Rep. Jon Hardister)  
**Sent:** Wednesday, May 24, 2017 01:48 PM  
**To:** Jayne Nelson (Rep. Jon Hardister)  
**Subject:** <NCGA> House Appropriations, Capital Committee Meeting Notice for Thursday, May 25, 2017 at 9:30 AM  
**Attachments:** Add Meeting to Calendar\_LINC\_.ics

**NORTH CAROLINA HOUSE OF REPRESENTATIVES  
COMMITTEE MEETING NOTICE  
AND  
BILL SPONSOR NOTIFICATION  
2017-2018 SESSION**

You are hereby notified that the **House Committee on Appropriations, Capital** will meet as follows:

**DAY & DATE:** Thursday, May 25, 2017  
**TIME:** 9:30 AM  
**LOCATION:** LOB 414

Respectfully,

Representative Jon Hardister, Chair

I hereby certify this notice was filed by the committee assistant at the following offices at 1:40 PM on Wednesday, May 24, 2017.

\_\_\_\_ Principal Clerk  
\_\_\_\_ Reading Clerk – House Chamber

Jayne Nelson (Committee Assistant)



# **House Appropriations Committee on Capital**

**Rep. Jon Hardister**

---

***Thursday, May 25, 2017 9:30am  
Room 414 Legislative Office Building***

**1. Welcome and Opening Comments:**

Rep. Jon Hardister, Presiding

**2. Review of Committee Rules and Process**

Daniel Sater, Fiscal Research Division Staff

**3. Review of Capital Budget Adjustments**

Daniel Sater, Fiscal Research Division Staff

**4. Review of Special Provisions**

Daniel Sater, Fiscal Research Division Staff

**5. Committee Questions, Discussion, and Amendments**

**6. Public Comments**

**7. Adjourn**



**House Committee on Appropriations, Capital  
Thursday, May 25, 2017 at 9:30 am  
Room 416, Legislative Office Building**

**Minutes**

The House Committee on Appropriations, Capital met at 9:30 am on May 25, 2017 in Room 414 of the Legislative Office Building. Members of the committee attending were: Representatives Hardister (Chair), Arp and Quick. Sergeant-at-Arms were: Terry McCraw, Reggie Sills and Thomas Terry (attachment 1). A Visitors Sheet is included and made a part of the minutes (attachment 2).

Representative Hardister called the meeting to order and introduced Daniel Sater of Fiscal Research to explain the Committee Rules and Process (attachment 3). Representative Hardister opened the floor to questions and having none moved on to the next item on the agenda.

Daniel Sater was recognized to review the Capital Budget Adjustments with the committee (attachment 4). Representative Hardister opened the floor to questions, having none, he asked Daniel Sater to take up the review the Special Provisions (attachment 5).

Mr. Sater gave an explanation of the Capital Special Provisions. Representative Hardister opened the floor to questions and there were none.

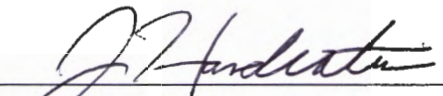
Representative Hardister asked the committee if there were any questions regarding the information provided in reference to the Capital section of the budget, hearing none, the Chair thanked Daniel Sater for his work. Rep. Quick was recognized by the Chair, and he also thanked Mr. Sater.

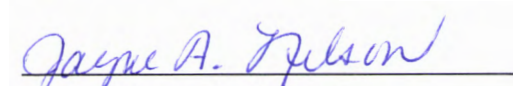


Rep. Hardister recognized Rep. Quick to make the motion to: "Move that the Capital Committee adopt the Appropriations Capital Area Committee Report; and further move that staff be authorized to make technical corrections and conforming changes related to reconciling the various amendments adopted, and that the appropriate totals may be adjusted accordingly."

The motion carried.

Rep. Hardister thanked the committee and staff, then adjourned the meeting at 9:50 am.

  
Rep. Jon Hardister

  
Jayne A. Nelson





Committee Sergeants at ArmsNAME OF COMMITTEE Appropriations-CapitalDATE: 05/25/2017Room: 414House Sgt-At Arms:1. Name: Reggie Sills2. Name: Terry McCraw3. Name: THOMAS TERRY

4. Name: \_\_\_\_\_

5. Name: \_\_\_\_\_

Senate Sgt-At Arms:

1. Name: \_\_\_\_\_

2. Name: \_\_\_\_\_

3. Name: \_\_\_\_\_

4. Name: \_\_\_\_\_

5. Name: \_\_\_\_\_



## VISITOR REGISTRATION SHEET

Appropriations-Capital

05-25-2017 Rm. 414

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Lauren Skenes	NCSU
Henry M Lancaster	LCA
Montezuma	NMHS
Kevin Howell	UNC GA
Michelle Brooks	ECU
Cady Thomas	FDCHS Carolina 2
TOM BOWLIN	NC NATIONAL GUARD
Andrew Cagle	UNCG
Kent Yelverton	NC DATCS
Dwayne Patterson	DNCR



**North Carolina House of Representatives  
Appropriations Committee**

**RULES FOR SUBJECT AREA COMMITTEE PROCEDURES**

May 25, 2017

The following rules govern the eligibility of amendments to proposed committee reports:

1. Amendments must be offered by formal amendments.
2. Amendments cannot increase total spending within the proposed committee report.
3. Amendments can only affect appropriations within the departments, agencies, or programs within the jurisdiction of the committee and may not cause a change in another committee's appropriations.
4. Amendments cannot adjust salary and benefit appropriations for the departments, agencies, or programs within the committee report.
5. Amendments cannot spend reversions or include "shall not revert" or "carry forward" language.
6. Amendments cannot use nonrecurring reductions to fund recurring items.
7. Amendments cannot change the recurring and nonrecurring designation of funds.
8. Amendments cannot reduce or eliminate vacant positions (or the associated savings in the salary and benefits) in agency budgets beyond those included in the committee report.
9. Amendments cannot change substantive policy or law.
10. Amendments may not create or increase "management flexibility reductions."
11. Amendments may not affect agency or program transfers to other committees.
12. Amendments may not include fees or other Finance-related matters.



**N.C. HOUSE OF REPRESENTATIVES  
APPROPRIATIONS COMMITTEE  
ON  
CAPITAL**

**REPORT ON THE BASE AND EXPANSION  
BUDGET**

**Senate Bill 257**

**May 25, 2017**

**General Fund Supported Capital Improvements**  
**Budget Code 19600**

<b>General Fund Budget</b>		
	<u><b>FY 2017-18</b></u>	<u><b>FY 2018-19</b></u>
<b>Enacted Budget</b>		
Requirements	\$0	\$0
Receipts	\$0	\$0
Net Appropriation	\$0	\$0
<b>Legislative Changes</b>		
Requirements	\$45,167,440	\$11,395,193
Receipts	\$23,641,000	\$0
Net Appropriation	\$21,526,440	\$11,395,193
<b>Revised Budget</b>		
Requirements	\$45,167,440	\$11,395,193
Receipts	\$23,641,000	\$0
Net Appropriation	\$21,526,440	\$11,395,193
<b>General Fund FTE</b>		
<b>Enacted Budget</b>	0.00	0.00
<b>Legislative Changes</b>	0.00	0.00
<b>Revised Budget</b>	0.00	0.00



## Summary of General Fund Appropriations

### Fiscal Year 2017-18

### 2017 Legislative Session

[illegible]

**Summary of General Fund Appropriations  
Fiscal Year 2018-19  
2017 Legislative Session**

[illegible]

## Capital

## GENERAL FUND

	FY 17-18	FY 18-19
<b>Recommended Budget</b>	<b>\$0</b>	<b>\$0</b>

## Department of Environmental Quality

**1 Water Resources Development Projects****Fund Code:** 19600

\$10,763,000 NR

Provides the State's share of Water Resources Development Projects. State funds will match \$14.1 million in federal funds and \$8.4 million in local funds. The revised net appropriation for Water Resources Development Projects is \$10.8 million.

## Department of Natural and Cultural Resources

**2 Planning Funds****Fund Code:** 19600

\$500,000 NR

Provides \$500,000 in planning funds for the transition of the Museum of the Cape Fear to a new Civil War museum in Fayetteville. The revised net appropriation for this project is \$500,000.

**3 Fort Fisher New Museum and Visitor Center****Fund Code:** 19600

\$5,000,000 NR

Provides \$5,000,000 to Fort Fisher to construct a new museum and visitor center. The revised net appropriation for this project is \$5 million.

## Department of Public Safety

**4 Helipad Site Construction****Fund Code:** 19600

\$1,000,000 NR

Provides \$1,000,000 to the North Carolina National Guard to construct a helipad at the Joint Forces Headquarters in Raleigh. These funds will match \$1 million in federal funds. The revised net appropriation for this project is \$1 million.

## House Appropriations Committee on Capital

FY 17-18

FY 18-19

**5 Greenville Office Building and Garage****Fund Code:** 19600

\$2,000,000 NR

\$1,917,993 NR

Provides the General Fund portion of the State Highway Patrol (SHP)/Division of Motor Vehicles office building and SHP garage. The General Fund portion is \$2,000,000 in FY 2017-18 and \$1,917,993 in FY 2018-19. The revised net General Fund appropriation for this project is \$3,917,993.

**East Carolina University****6 Planning Funds****Fund Code:** 19600

\$2,263,440 NR

Provides East Carolina University funds to develop plans for the construction of a new medical education building at the Brody School of Medicine. The revised net appropriation for the planning is \$2.3 million.

**Western Carolina University****7 Energy Production Facility****Fund Code:** 19600

\$9,477,200 NR

Provides \$9,477,200 to Western Carolina University to begin the replacement of its energy production facility. The revised net appropriation for this project is \$9.5 million.

---

**Total Appropriation to Capital**

\$21,526,440 NR

\$11,395,193 NR

---

**Revised Budget**

\$21,526,440

\$11,395,193

---

**Receipt Supported Capital Improvements**  
**Budget Code N/A**

**General Fund Budget**

	<u><b>FY 2017-18</b></u>	<u><b>FY 2018-19</b></u>
<b>Enacted Budget</b>		
Requirements	\$0	\$0
Receipts	\$0	\$0
Net Appropriation	\$0	\$0
<b>Legislative Changes</b>		
Requirements	\$18,315,300	\$5,200,000
Receipts	\$18,315,300	\$5,200,000
Net Appropriation	\$0	\$0
<b>Revised Budget</b>		
Requirements	\$18,315,300	\$5,200,000
Receipts	\$18,315,300	\$5,200,000
Net Appropriation	\$0	\$0

**General Fund FTE**

<b>Base Budget</b>	0.00	0.00
<b>Legislative Changes</b>	0.00	0.00
<b>Revised Budget</b>	0.00	0.00

**Summary of General Fund Appropriations  
Fiscal Year 2017-18  
2017 Legislative Session**

Receipt Supported Capital Improvements		Base Budget			Legislative Changes			Revised Budget		
Budget Code N/A										
Fund Code	Fund Name	Requirements	Receipts	Net Appropriation	Requirements	Receipts	Net Appropriation	Requirements	Receipts	Net Appropriation
	Department of Natural and Cultural Resources		-	-	-	-	-	-	-	-
	Museum of Art	-	-	-	915,300	915,300	-	915,300	915,300	-
	Wildlife Resources Commission		-	-	-	-	-	-	-	-
	Land Acquisition		-	-	7,000,000	7,000,000	-	7,000,000	7,000,000	-
	Infrastructure Repair/Renovation		-	-	1,500,000	1,500,000	-	1,500,000	1,500,000	-
	Setzer Hatchery Building Replacement		-	-	750,000	750,000	-	750,000	750,000	-
	Boating Access		-	-	900,000	900,000	-	900,000	900,000	-
	Setzer Hatchery Raceways Replacement		-	-	4,500,000	4,500,000	-	4,500,000	4,500,000	-
	Burnsville Depot		-	-	500,000	500,000	-	500,000	500,000	-
	Butner Lab & Storage Building		-	-	500,000	500,000	-	500,000	500,000	-
	Bolivia Depot		-	-	750,000	750,000	-	750,000	750,000	-
	New Shooting Ranges		-	-	1,000,000	1,000,000	-	1,000,000	1,000,000	-
		-	-	-			-	-	-	-
	Undesignated Items	-	-	-			-	-	-	-
		-	-	-			-	-	-	-
							-			
<b>Total</b>		<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$18,315,300</b>	<b>\$18,315,300</b>	<b>\$0</b>	<b>\$18,315,300</b>	<b>\$18,315,300</b>	<b>\$0</b>

## Summary of General Fund Appropriations

### Fiscal Year 2018-19

### 2017 Legislative Session

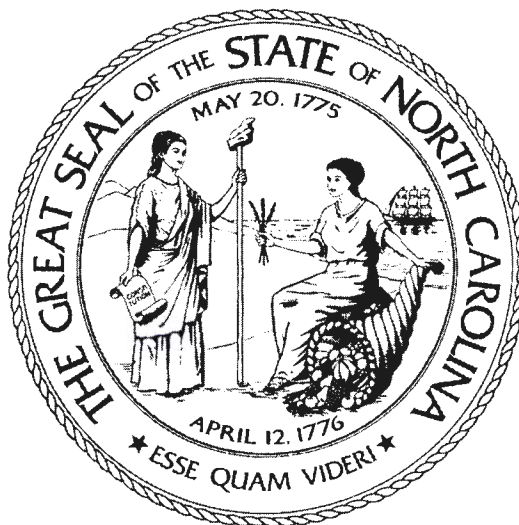
Receipt Supported Capital Improvements										
Budget Code N/A		Base Budget			Legislative Changes			Revised Budget		
Fund Code	Fund Name	Requirements	Receipts	Net Appropriation	Requirements	Receipts	Net Appropriation	Requirements	Receipts	Net Appropriation
	Wildlife Resources Commission		-	-	-	-	-	-	-	-
	Land Acquisition		-	-	3,000,000	3,000,000	-	3,000,000	3,000,000	-
	Boating Access		-	-	900,000	900,000	-	900,000	900,000	-
	Outer Banks Education Center Air Handlers		-	-	300,000	300,000	-	300,000	300,000	-
	New Shooting Ranges		-	-	1,000,000	1,000,000	-	1,000,000	1,000,000	-
			-	-	-	-	-	-	-	-
			-	-	-	-	-	-	-	-
			-	-	-	-	-	-	-	-
			-	-	-	-	-	-	-	-
			-	-	-	-	-	-	-	-
			-	-	-	-	-	-	-	-
			-	-	-	-	-	-	-	-
			-	-	-	-	-	-	-	-
			-	-	-	-	-	-	-	-
		-	-	-			-	-	-	-
Undesignated Items		-	-	-			-	-	-	-
		-	-	-			-	-	-	-
							-			
Total		\$0	\$0	\$0	\$5,200,000	\$5,200,000	\$0	\$5,200,000	\$5,200,000	\$0





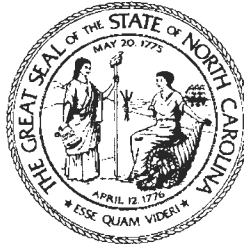
# **House Appropriations Committee on Capital**

## **Proposed Special Provisions for S.B. 257, Appropriations Act of 2017**



**May 25, 2017**

GENERAL ASSEMBLY OF NORTH CAROLINA



SPECIAL PROVISIONS  
HOUSE APPROPRIATIONS, CAPITAL REPORT

MAY 24, 2017

Report Last Updated: May 24, 2017 9:23 p.m.

<b>2017-CAP-H1(S36.1)I .....</b>	<b>1</b>
GENERAL FUND CAPITAL APPROPRIATIONS/INTRODUCTION	
<b>2017-CAP-H5(S36.2)-P .....</b>	<b>2</b>
CAPITAL APPROPRIATIONS/GENERAL FUND	
<b>2017-CAP-H8A(S36.3)-P .....</b>	<b>3</b>
WATER RESOURCES DEVELOPMENT PROJECTS	
<b>2017-CAP-H10(S36.4)I .....</b>	<b>6</b>
NON-GENERAL FUND CAPITAL IMPROVEMENT AUTHORIZATIONS	
<b>2017-CAP-H9(S36.5)-P .....</b>	<b>7</b>
REPAIRS AND RENOVATIONS RESERVE ALLOCATION	
<b>2017-CAP-H2(S36.6)I .....</b>	<b>9</b>
PROCEDURES FOR DISBURSEMENT OF CAPITAL FUNDS	
<b>2017-CAP-H3(S36.7)I .....</b>	<b>10</b>
REPORTING ON CAPITAL PROJECTS	
<b>2017-CAP-H12(S36.8)-P .....</b>	<b>12</b>
ZOO STATE CONSTRUCTION EXEMPTIONS	
<b>2017-CAP-H13(S36.9)I .....</b>	<b>15</b>
REALIGNMENT OF DHHS CAPITAL PROJECTS	
<b>2017-CAP-H14-P .....</b>	<b>17</b>
DPS EXISTING FACILITIES MAXIMIZATION	

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2017

Drafting  
SPECIAL PROVISION



2017-CAP-H1(S36.1)i

Capital  
House Appropriations, Capital

1 ***GENERAL FUND CAPITAL APPROPRIATIONS/INTRODUCTION***

2       **SECTION 36.1.** The appropriations made by the 2017 General Assembly for  
3 capital improvements are for constructing, repairing, or renovating State buildings, utilities, and  
4 other capital facilities, for acquiring sites for them where necessary, and for acquiring buildings  
5 and land for State government purposes.

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2017

Proofed  
SPECIAL PROVISION



2017-CAP-H5(S36.2)-P

Capital  
House Appropriations, Capital

**CAPITAL APPROPRIATIONS/GENERAL FUND**

**SECTION 36.2.(a)** There is appropriated from the General Fund for the 2017-2019 fiscal biennium the following amounts for capital improvements:

<b>Capital Improvements – General Fund</b>	<b>2017-2018</b>	<b>2018-2019</b>
Department of Environment and Natural Resources		
Water Resources Development	\$10,763,000	–
Department of Public Safety		
Greenville Office Building & Garage	2,000,000	\$1,917,993
National Guard- Joint Forces HQ Helipad	1,000,000	–
Department of Natural and Cultural Resources		
Fort Fisher Museum and Visitor Center	5,000,000	–
Planning for Fayetteville Civil War Museum project	500,000	–
East Carolina University		
Planning funds for new building at		
Brody School of Medicine	2,263,440	–
Western Carolina University		
Energy production facility replacement project	–	9,477,200
<b>TOTAL CAPITAL IMPROVEMENTS –</b>		
<b>GENERAL FUND</b>	<b>\$21,526,440</b>	<b>\$11,395,193</b>

**SECTION 36.2.(b)** Notwithstanding G.S. 143C-3-3(b), East Carolina University shall use the funds appropriated in subsection (a) of this section to develop plans for the construction of a new medical education building at the Brody School of Medicine.

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2017

Proofed  
SPECIAL PROVISION



2017-CAP-H8A(S36.3)-P

Capital  
House Appropriations, Capital

**WATER RESOURCES DEVELOPMENT PROJECTS**

**SECTION 36.3.(a)** The Department of Environmental Quality shall allocate funds for water resources development projects in accordance with the schedule that follows. The amounts set forth in the schedule include funds appropriated in this act for water resources development projects and funds carried forward from previous fiscal years in accordance with subsection (b) of this section. These funds will provide a State match for an estimated fourteen million eighty-five thousand dollars (\$14,085,000) in federal funds.

Name of Project	2017-2018
(1) Princeville Flood Damage Reduction	\$431,000
(2) Carolina Beach CSDR (Next cycle plans & specs.)	300,000
(3) Kure Beach CSDR (Next cycle plans & specs.)	300,000
(4) Wrightsville Storm Damage Reduction – Constr. Cycle 12	3,000,000
(5) Wrightsville Storm Damage Reduction – Post-Auth. Change Report	135,000
(6) Planning Assistance	25,000
(7) Wilmington Harbor Maintenance	-
(8) Morehead City Harbor Maintenance	-
(9) Surf City/North Topsail Preconstruction Activities	218,000
(10) West Onslow Beach Preconstruction Activities	218,000
(11) NRCS EQIP	2,000,000
(12) State-Local Projects	1,500,000
(13) Eastern NC Storm Debris Removal	1,000,000
(14) Cape Fear River Lock & Dam/Fish Ramp Construction	840,000
(15) Carolina Beach CSDR	1,158,000
(16) North Topsail Shoreline Protection – Phase 2	500,000
(17) Kunz Farm Park Riverwalk	250,000
<b>TOTALS</b>	<b>\$11,875,000</b>

**SECTION 36.3.(b)** It is the intent of the General Assembly that funds carried forward from previous fiscal years be used to supplement the ten million seven hundred sixty-three thousand dollars (\$10,763,000) appropriated for water resources development projects in Section 36.2 of this act. Therefore, the following funds carried forward from previous fiscal years shall be used for the following projects:

Name of Project	Amount Carried Forward
(1) Carolina Beach CSDR (Next cycle plans & specs.)	\$50,000
(2) Kure Beach CSDR (Next cycle plans & specs.)	50,000
(3) Wrightsville Storm Damage Reduction – Constr.	700,000

(4)	Wrightsville Storm Damage Reduction – Post-Auth. Change Report	22,000
(5)	Planning Assistance	25,000
(6)	Surf City/North Topsail Preconstruction Activities	135,000
(7)	West Onslow Beach Preconstruction Activities	130,000
<b>TOTALS</b>		<b>\$1,112,000</b>

**SECTION 36.3.(c)** 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 2017-2018 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 the 2017-2018 fiscal year.
- (3) State-local water resources development projects.

Funds subject to this subsection that are not expended or encumbered for the purposes set forth in subdivisions (1) through (3) of this subsection shall revert to the General Fund at the end of the 2017-2018 fiscal year.

**SECTION 36.3.(d)** The Department shall submit semiannual reports on the use of these funds to the Joint Legislative Oversight Committee on Agriculture and Natural and Economic Resources, the Fiscal Research Division, and the Office of State Budget and Management on or before March 1 and September 1. Each report shall include all of the following:

- (1) All projects listed in this section.
- (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 the project.

The semiannual reports also shall 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.

**SECTION 36.3.(e)** Of the funds allocated for State-Local Projects in this section, the Department shall allocate the sum of five hundred thousand dollars (\$500,000) for the 2017-2018 fiscal year to be used for phase III of the Joseph McDowell Historical Catawba Greenway restoration project.

**SECTION 36.3.(f)** Of the funds allocated for State-Local Projects in this section, the Department shall allocate the sum of five hundred thousand dollars (\$500,000) for the 2017-2018 fiscal year to be used for phase VI-2 of the Ararat River Greenway and Stream Restoration project.

**SECTION 36.3.(g)** Section 37.2(e) of S.L. 2016-94 reads as rewritten:

"**SECTION 37.2.(e)** Notwithstanding any provision of law to the contrary, funds appropriated for a water resources development project shall be used to provide no more than fifty percent (50%) of the nonfederal portion of funds for the project. This subsection applies to funds appropriated in this act and to funds appropriated prior to the 2015-2017 fiscal biennium that are unencumbered and proposed for reallocation to provide the nonfederal portion of funds for water resources development projects. The limitation on fund usage contained in this subsection applies only to projects in which a local government or local governments



1 participate. This subsection shall not apply to, and there shall be no local match required for,  
2 any of the following, notwithstanding any other provision of law:

- 3 (1) The Environmental Quality Incentives Program. Furthermore, Section  
4 36.3(e) of S.L. 2013-360, Section 36.2(e) of S.L. 2014-100, and Section  
5 31.3(e) of S.L. 2015-241 shall not apply to funds made available as part of  
6 the Environmental Quality Incentives Program in any fiscal year. Any  
7 remaining balance of funds appropriated prior to the 2015-2017 fiscal  
8 biennium for Environmental Quality Incentives Program projects shall be  
9 paid out to each of the original grantees for the full grant award amount,  
10 except that the Secretary may retain ten percent (10%) of the State share of  
11 funding until the Natural Resources Conservation Service of the United  
12 States Department of Agriculture has provided a final practice approval for  
13 the project.

14 ...."

15 **SECTION 36.3.(h)** G.S. 143-215.72 is amended by adding two new subsections to  
16 read:

17 "(c) When the Secretary issues new or revised policies for review of grant applications  
18 and fund disbursement under this Part, those policies shall not apply to a project already  
19 approved for funding unless the project applicant agrees to the new or revised policy. For  
20 purposes of this section, a project is approved for funding when the Department enters into a  
21 contract or other binding agreement to provide any share of State funding for the project.  
22 Nothing in this subsection is intended to preclude the Secretary from issuing or enforcing  
23 policies applicable to projects approved for funding in order to comply with a requirement of  
24 State law or federal law or regulations.

25 (d) The following procedures apply only to grants for the purpose set forth in  
26 G.S. 143-215.71(8):

- 27 (1) A nongovernmental entity managing, administering, or executing the grant  
28 on behalf of a unit of local government may apply as a co-applicant for the  
29 grant and may be included as a responsible party on any required resolution  
30 issued by the unit of local government.  
31 (2) The Department may make periodic payments for its share of nonfederal  
32 costs of a project prior to receipt of a final practice approval from the  
33 Natural Resources Conservation Service if the grantee has submitted a  
34 certified reimbursement request or invoice."

35 **SECTION 36.3.(i)** G.S. 143-215.72(d), as enacted by subsection (h) of this section,  
36 becomes effective July 1, 2017, and applies to projects approved for funding on or after that  
37 date.

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2017-CAP-H10(S36.4)i

Capital  
House Appropriations, Capital

**NON-GENERAL FUND CAPITAL IMPROVEMENT AUTHORIZATIONS**

**SECTION 36.4.(a)** The General Assembly authorizes the following capital projects to be funded with receipts or from other non-General Fund sources available to the appropriate department:

Name of Project	Amount of Non-General Fund Funding Authorized	
	FY 2017-2018	FY 2018-2019
Department of Natural and Cultural Resources		
Museum of Art- New Park and Pavilion Building	915,300	—
Wildlife Resources Commission		
Land Acquisition	7,000,000	3,000,000
Infrastructure Repair/Renovation	1,500,000	—
Setzer Hatchery Building Replacement	750,000	—
Boating Access	900,000	900,000
Setzer Hatchery Raceways Replacement	4,500,000	—
Outer Banks Education Center Air Handlers	—	300,000
Burnsville Depot	500,000	—
Butner Lab & Storage Building	500,000	—
Bolivia Depot	750,000	—
New Shooting Ranges	1,000,000	1,000,000
<b>TOTAL AMOUNT OF NON-GENERAL FUND CAPITAL PROJECTS AUTHORIZED</b>	<b>\$18,315,300</b>	<b>\$5,200,000</b>

**SECTION 36.4.(b)** From funds deposited with the State Treasurer in a capital improvement account to the credit of the Department of Agriculture and Consumer Services pursuant to G.S. 146-30, the sum of seventy-five thousand dollars (\$75,000) for the 2017-2018 fiscal year and the sum of seventy-five thousand dollars (\$75,000) for the 2018-2019 fiscal year shall be transferred to the Department of Agriculture and Consumer Services to be used, notwithstanding G.S. 146-30, 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 the plant conservation program preserves owned by the Department.



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2017-CAP-H9(S36.5)-P

## Capital House Appropriations, Capital

### **REPAIRS AND RENOVATIONS RESERVE ALLOCATION**

**SECTION 36.5.(a)** Of the funds in the Reserve for Repairs and Renovations for the 2017-2018 fiscal year, the following allocations shall be made to the following agencies for repairs and renovations pursuant to G.S. 143C-4-3:

- (1) One-half of the funds shall be allocated to the Board of Governors of The University of North Carolina.
- (2) One-half of the funds shall be allocated to the Office of State Budget and Management.

The Office of State Budget and Management shall consult with or report to the Joint Legislative Commission on Governmental Operations, as appropriate, in accordance with G.S. 143C-4-3(d). The Board of Governors shall report to the Joint Legislative Commission on Governmental Operations in accordance with G.S. 143C-4-3(d).

**SECTION 36.5.(b)** Notwithstanding G.S. 143C-4-3(d), of the funds allocated to the Board of Governors of The University of North Carolina in subsection (a) of this section, a portion shall be used each fiscal year by the Board of Governors for the installation of fire sprinklers in University residence halls. This portion shall be in addition to funds otherwise appropriated in this act for the same purpose. Such funds shall be allocated among the University's constituent institutions by the President of The University of North Carolina, who shall consider the following factors when allocating those funds:

- (1) The safety and well-being of the residents of campus housing programs.
- (2) The current level of housing rents charged to students and how that compares to an institution's public peers and other UNC institutions.
- (3) The level of previous authorizations to constituent institutions for the construction or renovation of residence halls funded from the General Fund or from bonds or certificates of participation supported by the General Fund since 1996.
- (4) The financial status of each constituent institution's housing system, including debt capacity, debt coverage ratios, credit rankings, required reserves, the planned use of cash balances for other housing system improvements, and the constituent institution's ability to pay for the installation of fire sprinklers in all residence halls.
- (5) The total cost of each proposed project, including the cost of installing fire sprinklers and the cost of other construction, such as asbestos removal and additional water supply needs.

The Board of Governors shall submit progress reports to the Joint Legislative Commission on Governmental Operations. Reports shall include the status of completed, current, and planned projects. Reports also shall include information on the financial status of each constituent institution's housing system, the constituent institution's ability to pay for fire protection in residence halls, and the timing of installation of fire sprinklers. Reports shall be submitted on January 1 and July 1 until all residence halls have fire sprinklers.

1           **SECTION 36.5.(c)** Notwithstanding G.S. 143C-4-3(d), of the funds allocated to  
2 the Board of Governors of The University of North Carolina in subsection (a) of this section, a  
3 portion shall be used each fiscal year by the Board of Governors for campus public safety  
4 improvements allowable under G.S. 143C-4-3(b).

5           **SECTION 36.5.(d)** In making campus allocations of funds allocated to the Board  
6 of Governors of The University of North Carolina in subsection (a) of this section, the Board of  
7 Governors shall negatively weight the availability of non-State resources and carryforward  
8 funds available for repair and renovations and shall include information about the manner in  
9 which this subsection was complied within any report submitted pursuant to G.S. 143C-4-3(d).

10           **SECTION 36.5.(e)** Notwithstanding G.S. 143C-4-3, of the funds allocated from  
11 the Reserve for Repairs and Renovations for the 2017-2018 fiscal year in subsection (a) of this  
12 section, the following sums shall be allocated for the following projects:

- 13           (1) Two million dollars (\$2,000,000) shall be allocated to the Department of  
14 Public Safety to be provided to the North Carolina National Guard for the  
15 demolition of Western Youth Correctional Facility.
- 16           (2) Two million dollars (\$2,000,000) shall be allocated to the Department of  
17 Natural and Cultural Resources for the repairs and renovation projects  
18 involving the U.S.S. North Carolina Battleship.
- 19           (3) Five million dollars (\$5,000,000) shall be allocated to the Department of  
20 Administration for the roof replacement project for the Administration  
21 Building.
- 22           (4) Three hundred thousand dollars (\$300,000) shall be allocated to  
23 weatherproof Goodwin Hall and Joiner Hall at the North Carolina School for  
24 the Deaf in Morganton.
- 25           (5) Thirteen million two hundred thousand dollars (\$13,200,000) shall be  
26 allocated to the Department of Public Safety to renovate the Stonewall  
27 Jackson Youth Development Center to create additional bed space.
- 28           (6) Ten million dollars (\$10,000,000) shall be allocated for the comprehensive  
29 renovation and repurposing of West Hall at the University of North Carolina  
30 at Pembroke.
- 31           (7) Three million five hundred thousand dollars (\$3,500,000) shall be allocated  
32 to the Department of Natural and Cultural Resources, Division of Parks &  
33 Recreation, for repair and renovation projects at Morrow Mountain State  
34 Park in Stanly County.
- 35           (8) Four million five hundred thousand dollars (\$4,500,000) shall be allocated to  
36 the Department of Natural and Cultural Resources for repair and renovation  
37 projects at the North Carolina Zoological Park.
- 38           (9) Two million two hundred thousand dollars (\$2,200,000) shall be allocated to  
39 the Department of Public Safety to renovate the Swannanoa Correctional  
40 Center for Women to allow for portions to be used for a female Confinement  
41 Response to Violation (CRV) facility.
- 42           (10) Five million five hundred thousand dollars (\$5,500,000) shall be allocated to  
43 Fayetteville State University for a health fitness center.

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2017-CAP-H2(S36.6)i

Capital  
House Appropriations, Capital

***PROCEDURES FOR DISBURSEMENT OF CAPITAL FUNDS***

**SECTION 36.6.** The appropriations made by the 2017 General Assembly for capital improvements shall be disbursed for the purposes provided by this act. Expenditure of funds shall not be made by any State department, institution, or agency until an allotment has been approved by the Governor as Director of the Budget. The allotment shall be approved only after full compliance with the State Budget Act, Chapter 143C of the General Statutes. Prior to the award of construction contracts for projects to be financed in whole or in part with self-liquidating appropriations, the Director of the Budget shall approve the elements of the method of financing of those projects, including the source of funds, interest rate, and liquidation period. Provided, however, that if the Director of the Budget approves the method of financing a project, the Director shall report that action to the Joint Legislative Commission on Governmental Operations at its next meeting.

Where direct capital improvement appropriations include the purpose of furnishing fixed and movable equipment for any project, those funds for equipment shall not be subject to transfer into construction accounts except as authorized by the Director of the Budget. The expenditure of funds for fixed and movable equipment and furnishings shall be reviewed and approved by the Director of the Budget prior to commitment of funds.

Capital improvement projects authorized by the 2017 General Assembly shall be completed, including fixed and movable equipment and furnishings, within the limits of the amounts of the direct or self-liquidating appropriations provided, except as otherwise provided in this act. Capital improvement projects authorized by the 2017 General Assembly for the design phase only shall be designed within the scope of the project as defined by the approved cost estimate filed with the Director of the Budget, including costs associated with site preparation, demolition, and movable and fixed equipment.

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SPECIAL PROVISION



2017-CAP-H3(S36.7)i

Capital  
House Appropriations, Capital

**REPORTING ON CAPITAL PROJECTS**

**SECTION 36.7.(a)** Definitions. – The following definitions apply in this section:

- (1) Capital project. – Any capital improvement, as that term is defined in G.S. 143C-1-1, that is not complete by the effective date of this section and that is funded in whole or in part with State funds, including receipts, non-General Fund sources, or statutorily or constitutionally authorized indebtedness of any kind. This term includes only projects with a total cost of one hundred thousand dollars (\$100,000) or more.
- (2) Construction phase. – The status of a particular capital project as described using the terms customarily employed in the design and construction industries.
- (3) New capital project. – A capital project that is authorized in this act or subsequent to the effective date of this act.

**SECTION 36.7.(b)** Reporting. – The following reports are required:

- (1) By October 1, 2017, and every six months thereafter, each State agency shall report on the status of agency capital projects to the Joint Legislative Commission on Governmental Operations.
- (2) By October 1, 2017, and quarterly thereafter, each State agency shall report on the status of agency capital projects to the Fiscal Research Division of the General Assembly and to the Office of State Budget and Management.

**SECTION 36.7.(c)** The reports required by subsection (b) of this section shall include at least the following information about every agency capital project:

- (1) The current construction phase of the project.
- (2) The anticipated time line from the current construction phase to project completion.
- (3) Information about expenditures that have been made in connection with the project, regardless of source of the funds expended.
- (4) Information about the adequacy of funding to complete the project, including estimates of how final expenditures will relate to initial estimates of expenditures, and whether or not scope reductions will be necessary in order to complete the project within its budget.
- (5) For new capital projects only, an estimate of the operating costs for the project for the first five fiscal years of its operation.

**SECTION 36.7.(d)** In addition to the other reports required by this section, on October 1, 2017, and every six months thereafter, the Office of State Construction shall report on the status of the Facilities Condition Assessment Program (FCAP) to the Joint Legislative Commission on Governmental Operations. The report shall include (i) summary information about the average length of time that passes between FCAP assessments for an average State building; (ii) detailed information about when the last FCAP assessment was for each State building complex; and (iii) detailed information about the condition and repairs and renovations needs of each State building complex.

1           **SECTION 36.7.(e)** In addition to the other reports required by this section, on  
2 October 1, 2017, and quarterly thereafter, the State Construction Office shall report to the Joint  
3 Legislative Oversight Committee on Capital Improvements on the status of plan review,  
4 approval, and permitting for each State capital improvement project and community college  
5 capital improvement project over which the Office exercises plan review, approval, and  
6 permitting authority. Each report shall include (i) summary information about the workload of  
7 the Office during the previous quarter, including information about the average length of time  
8 spent by the State Construction Office on each major function it performs that is related to  
9 capital project approval, and (ii) detailed information about the amount of time spent engaged  
10 in those functions for each project that the State Construction Office worked on during the  
11 previous quarter.

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Capital  
House Appropriations, Capital

**ZOO STATE CONSTRUCTION EXEMPTIONS**

**SECTION 36.8.(a)** G.S. 143-341 reads as rewritten:

**"§ 143-341. Powers and duties of Department.**

The Department of Administration has the following powers and duties:

...

(3) Architecture and Engineering:

- a. To examine and approve all plans and specifications for the construction or renovation of:
  1. All State buildings or buildings located on State lands, except those buildings over which a local building code inspection department has and exercises jurisdiction; and
  2. All community college buildings requiring the estimated expenditure for construction or repair work for which public bidding is required under G.S. 143-129 prior to the awarding of a contract for such work; and to examine and approve all changes in those plans and specifications made after the contract for such work has been awarded.
- a1. To organize and schedule, within three weeks of designer selection and before the design contract is let, a meeting of the stakeholders for each State capital improvement project to discuss plan review requirements and to define the terms of the memorandum of understanding developed by the State Building Commission pursuant to G.S. 143-135.26(2). The stakeholders shall include the funded agency, each State agency having plan review responsibilities for the project, and the selected designer. Notwithstanding the foregoing, the meeting need not be scheduled if the funded agency so requests.
- b. To assist, as necessary, all agencies in the preparation of requests for appropriations for the construction or renovation of all State buildings.
- b1. To certify that a statement of needs pursuant to G.S. 143C-3-3, other than for a project of The University of North Carolina for which advance planning has not been completed, is feasible. For purposes of this sub-subdivision, "feasible" means that the proposed project is sufficiently defined in overall scope; building program; site development; detailed design, construction, and equipment budgets; and comprehensive project scheduling so as to reasonably ensure that it may be completed with the amount of funds requested. At the discretion of the General Assembly, advanced planning funds may be appropriated in support of this certification. This sub-subdivision shall not apply to requests for appropriations of less than one hundred thousand dollars (\$100,000).



- 1 c. To supervise the letting of all contracts for the design, construction or  
2 renovation of all State buildings and all community college buildings  
3 whose plans and specifications must be examined and approved  
4 under a.2. of this subdivision.  
5 d. To supervise and inspect all work done and materials used in the  
6 construction or renovation of all State buildings and all community  
7 college buildings whose plans and specifications must be examined  
8 and approved under a.2. of this subdivision; to act as the appropriate  
9 official inspector or inspection department for purposes of  
10 G.S. 143-143.2; and no such work may be accepted by the State or  
11 by any State agency until it has been approved by the Department.  
12 e. To require all State agencies to use existing plans and specifications  
13 for construction projects, where feasible. Prior to designing a project,  
14 State agencies shall consult with the Department of Administration  
15 on the availability of appropriate existing plans and specifications  
16 and the feasibility of using them for a project.  
17 f. To provide written allocation of the deduction allowed under section  
18 179D of the Code, as defined in G.S. 105-228.90, for designing  
19 energy efficient commercial building property that is installed on or  
20 in property owned by the State. The allocation must be made in  
21 accordance with section 179D of the Code.

22 Except for sub-subdivisions b., b1., e., and f. of this subdivision, this  
23 subdivision does not apply to either (i) the design, construction, or  
24 renovation of projects by The University of North Carolina pursuant to G.S.  
25 116-31.11, G.S. 116-31.11 or (ii) the North Carolina Zoological Park Council  
26 and the Department of Natural and Cultural Resources, with respect to  
27 projects at the North Carolina Zoological Park pursuant to  
28 G.S. 143B-135.214.

29 ...."

30 **SECTION 36.8.(b)** Part 39 of Article 2 of Chapter 143B of the General Statutes is  
31 amended by adding a new section to read:

32 "**§ 143B-135.214. Powers of Council and Department regarding certain fee negotiations,**  
33 **contracts, and capital improvements.**

34 (a) The exception for the North Carolina Zoological Park set forth in G.S. 143-341(3)  
35 shall apply only to projects requiring the estimated expenditure of public money of two million  
36 dollars (\$2,000,000) or less. The Council and the Department of Natural and Cultural  
37 Resources shall, with respect to the design, construction, or renovation of buildings, utilities,  
38 and other property developments of the North Carolina Zoological Park that fall below that  
39 threshold:

- 40 (1) Conduct the fee negotiations for all design contracts and supervise the letting  
41 of all construction and design contracts.  
42 (2) Develop procedures governing the responsibilities of the Council and the  
43 Department to perform the duties of the Department of Administration under  
44 G.S. 133-1.1(d) and G.S. 143-341(3).  
45 (3) Use existing plans and specifications for construction projects, where  
46 feasible. Prior to designing a project, the Council and the Department shall  
47 consult with the Department of Administration on the availability of existing  
48 plans and specifications and the feasibility of using them for a project.

49 (b) The Council and Department shall use the standard contracts for design and  
50 construction currently in use for State capital improvement projects by the Office of State  
51 Construction of the Department of Administration.

(c) A contract may not be divided for the purpose of evading the monetary limit under this section.

(d) Notwithstanding any other provision of this Chapter, the Department of Administration shall not be the awarding authority for contracts awarded pursuant to this section.

(e) This section shall not exempt any capital improvement project from review and approval as may be required by law by the entity having jurisdiction over the subject property.

(f) The Department shall annually report to the State Building Commission the following:

(1) A list of projects governed by this section.

(2) The estimated cost of each project along with the actual cost.

(3) The name of each person awarded a contract under this section.

(4) Whether the person or business awarded a contract under this section meets the definition of "minority business" or "minority person" as defined in G.S. 143-128.2(g).

(g) Unless clearly indicated otherwise, nothing in this section is intended to relieve the Department or the Council from the obligations imposed by Article 3 of Chapter 143 of the General Statutes."

**SECTION 36.8.(c)** G.S. 143B-135.214, as enacted by subsection (b) of this section, is repealed.

**SECTION 36.8.(d)** G.S. 143-341(3), as amended by subsection (a) of this section, reads as rewritten:

"(3) Architecture and Engineering:

...

Except for sub-subdivisions b., bl., e., and f. of this subdivision, this subdivision does not apply to ~~either (i) the design, construction, or renovation of projects by The University of North Carolina pursuant to G.S. 116-31.11 or (ii) the North Carolina Zoological Park Council and the Department of Natural and Cultural Resources, with respect to projects at the North Carolina Zoological Park pursuant to G.S. 143B-135.214.~~

**SECTION 36.8.(e)** Subsections (c) and (d) of this section become effective July 1, 2019, and apply to projects commenced on or after that date. The remainder of this section is effective when it becomes law. Requirements for projects commenced before July 1, 2019, are not affected by subsection (c) or (d) of this section, and the statutes, as amended by subsections (a) and (b) of this section, remain applicable to those projects.



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2017-CAP-H13(S36.9)i

Capital  
House Appropriations, Capital

**REALIGNMENT OF DHHS CAPITAL PROJECTS**

**SECTION 36.9.(a)** Section 23.12(e) of S.L. 2006-66, as amended by Section 2(c) of S.L. 2009-209, reads as rewritten:

"**SECTION 23.12.(e)** In accordance with G.S. 142-83, this subsection authorizes the issuance or incurrence of special indebtedness in the maximum aggregate principal amount of ~~ninety eight million seven hundred eighty two thousand five hundred forty dollars (\$98,782,540)~~ninety-one million two hundred eighty-two thousand five hundred forty dollars (\$91,282,540) to finance the capital facility costs of the Department of Health and Human Services Public Health Laboratory and Office of Chief Medical Examiner. 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 capital facility costs of the project described in this subsection. No more than a maximum aggregate principal amount of twenty million dollars (\$20,000,000) of special indebtedness may be issued or incurred under this subsection prior to July 1, 2007."

**SECTION 36.9.(b)** Section 23.12(f) of S.L. 2006-66, as amended by Section 2(c) of S.L. 2009-209, reads as rewritten:

"**SECTION 23.12.(f)** 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 thirty eight million three hundred twenty five thousand eight hundred fourteen dollars (\$138,325,814)~~one hundred thirty-nine million three hundred twenty-five thousand eight hundred fourteen dollars (\$139,325,814) to finance the capital facility costs of the Eastern 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 capital facility costs of the project described in this subsection. No more than a maximum aggregate principal amount of twenty million dollars (\$20,000,000) of special indebtedness may be issued or incurred under this subsection prior to July 1, 2007. No more than a maximum aggregate principal amount of one hundred million dollars (\$100,000,000) of special indebtedness may be issued or incurred under this subsection prior to July 1, 2008."

**SECTION 36.9.(c)** Section 23.12(h) of S.L. 2006-66, as amended by Section 2(c) of S.L. 2009-209, reads as rewritten:

"**SECTION 23.12.(h)** 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 fifty four million seven hundred seventy two thousand eight hundred one dollars (\$154,772,801)~~one hundred sixty-one million two hundred seventy-two thousand eight hundred one dollars (\$161,272,801) to finance the capital facility costs of the 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

1 order to provide funds to the State to be used, together with other available funds, to pay the  
2 capital facility costs of the project described in this subsection. No special indebtedness may be  
3 issued or incurred under this subsection prior to July 1, 2008. No more than a maximum  
4 aggregate principal amount of twenty million dollars (\$20,000,000) of special indebtedness  
5 may be issued or incurred under this subsection prior to July 1, 2009. No more than a  
6 maximum aggregate principal amount of fifty-four million dollars (\$54,000,000) of special  
7 indebtedness may be issued or incurred under this subsection prior to July 1, 2011."

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2017

Proofed  
SPECIAL PROVISION



2017-CAP-H14-P

Capital  
House Appropriations, Capital

Requested by

1 ***DPS EXISTING FACILITIES MAXIMIZATION***

2       **SECTION #.** If House Bill 280 of the 2017 Regular Session becomes law, the  
3 Department of Public Safety shall accommodate any new requirements resulting from its  
4 enactment by maximizing the use of existing facilities. The Department shall demonstrate that  
5 the use of existing facilities has been maximized prior to requesting funding for additional  
6 facilities.



**HOUSE COMMITTEE ON APPROPRIATIONS, CAPITAL**  
**2017-2018 SESSION**



**HOUSE COMMITTEE ON APPROPRIATIONS, CAPITAL**  
**2017-2018 SESSION**

**Committee Assistant Jayne Nelson**



**Rep. Jon Hardister,  
Chair**



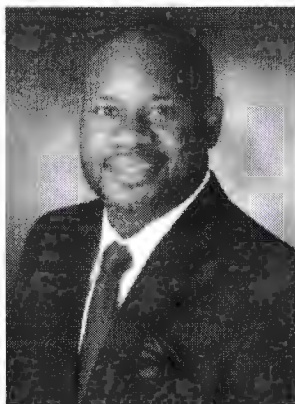
**Rep. Cecil Brockman,  
Member**



**Rep. Kyle Hall,  
Member**



**Rep. David Rogers,  
Member**



**Rep. Amos Quick,  
Member**





**HOUSE COMMITTEE ON APPROPRIATIONS – CAPITAL**

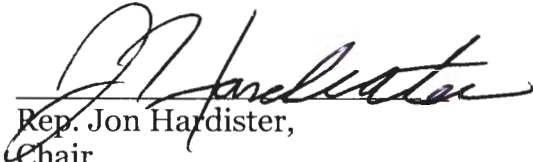
**2017-2018 Session**

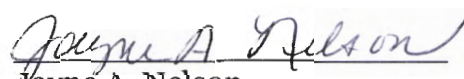
<b><u>MEMBER</u></b>	<b><u>ASSISTANT</u></b>	<b><u>PHONE</u></b>	<b><u>OFFICE</u></b>	<b><u>SEAT</u></b>
<b>HARDISTER, Jon Chairman</b>	<b>Jayne Nelson</b>	<b>919-733-5191</b>	<b>638</b>	<b>39</b>
<b>BROCKMAN, Cecil</b>	<b>Grady O'Brien</b>	<b>919-733-5825</b>	<b>1311</b>	<b>118</b>
<b>HALL, Kyle</b>	<b>Cameron Dawson</b>	<b>919-733-5609</b>	<b>536</b>	<b>78</b>
<b>QUICK, Amos</b>	<b>Mildred Alston</b>	<b>919-733-5902</b>	<b>1317</b>	<b>91</b>
<b>ROGERS, David</b>	<b>Baxter Knight</b>	<b>919-733-5749</b>	<b>418C</b>	<b>86</b>



**House Committee on Appropriations, Capital**  
**2017-2018 Session**

**The House Committee on Appropriations, Capital** did not meet in the 2018 Short Session.

  
Rep. Jon Hardister,  
Chair

 2/26/18  
Jayne A. Nelson,  
Committee Assistant

