



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

**PAT MCCRORY**  
GOVERNOR

**LEE HARRISS ROBERTS**  
STATE BUDGET DIRECTOR

December 16, 2015

**MEMORANDUM**

**TO:** Senator Phil Berger, President Pro-Tempore of the Senate  
Representative Tim Moore, Speaker of the House of Representatives

**FROM:** *Thomas Cheek*  
Thomas Cheek, Asst. State Budget Officer for Statewide Analysis/Capital

**SUBJECT:** Report on the Reallocation of Repairs and Renovations Funds

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The Office of State Budget and Management must report any Reallocation of the Repair and Renovation funds per Section 6.12 of S.L. 2013-360 amended G.S. 143C-4-3 to the Joint Legislative Commission on Governmental Operations within 60 days of the reallocation. Please see the attached table that shows the reallocations approved by the Office of State Budget and Management.

If you have any questions, please don't hesitate to contact me at 919-807-4746.

Attachment

SL 2012-142 Section 26.1 requires OSBM to report to Gov Ops regarding any reallocations of Reserve for Repairs and Renovations fund.

SL 2012-142 Section 26.1 requires OSBM to report to Gov Ops regarding any reallocations of Reserve for Repairs and Renovations fund.

	Agency	Project Title	Budget Code	Amount Reallocated	Justification
FROM	DOA	New Revenue Building Security Improvements	41201-4R01	\$1,015.00	
TO	DOA	Old Revenue Building Security and ADA Improvements	41201-4R21		
From	DOA	Museum of Natural Sciences - Escalator Modification	41201-4R02	\$17,222.38	
To	DOA	Old Revenue Building Security and ADA Improvements	41201-4R21		
From	DOA	Old Revenue Building Freight Elevator Repairs	41201-4R04	\$2,381.00	
To	DOA	Old Revenue Building Security and ADA Improvements	41201-4R21		
From	DOA	Albemarle Building Cooling Tower Replacement	41201-4R05	\$24,000.00	
To	DOA	Old Revenue Building Security and ADA Improvements	41201-4R21		
From	DOA	Salisbury Street Pedestrian Bridge	41201-4R09	\$61,000.11	
To	DOA	Old Revenue Building Security and ADA Improvements	41201-4R21		
From	DOA	Parking Decks 17/65 Recommission CO2 System	41201-4R11	\$36,300.00	
To	DOA	Old Revenue Building Security and ADA Improvements	41201-4R21		
From	DOA	Administration Building Renovation	41201-4R21	\$10,000.00	
To	DOA	Old Revenue Building Security and ADA Improvements	41201-4R21		

Currently, there is no ADA accessible means of reaching the main desk at the Secretary of State's office other than routing traffic through non-public areas of the building, which creates security concerns. These transfers will allow a new handicap ramp to be constructed at the main public entrance and this will secure the public area from non-public spaces at the other building entrances. This project has been on the DOA/Secretary of State priority list since the 2001 security study of Government Complex buildings following the 9-11 terrorist attacks. All projects on this are either complete, or are close to being complete, except 41201-4R21. The total amount to transfer is \$151,918.49

# Reserve for Repairs & Renovations - Reallocation

SL 2012-142 Section 26.11 requires OSBM to report to Gov Ops regarding any reallocations of Reserve for Repairs and Renovations fund.

	Agency	Project Title	Budget Code	Amount Reallocated	Justification
From	DOA	Heck Andrews Exterior	41301-4S05	\$7,400.00	
To	DOA	Andrews-London & Bailey-Tucker Houses - Ext Repairs and Painting	41301-4S08		This reallocation will allow DOA to address an active leak in the Bailey-Tucker House. The roof will be replaced and interior ceiling damage resulting from the leak will be repaired. The Heck-Andrews House - Exterior Repairs and Painting project is complete and has a surplus.
	Agency	Project Title	Budget Code	Amount Reallocated	Justification
From	DOA	Heck Andrews Exterior	41301-4S05	\$2,965.33	
To	DOA	Handy House Exterior Repairs and Painting	41301-4S11		This reallocation will allow DOA to replace rotten wood discovered when the paint contractor began removing the old paint in preparation for repainting the Handy House. It will be much more cost effective to replace the rotten wood now while the painting contractor is mobilized and on-site. The Heck-Andrews House - Exterior Repairs and Painting project is complete and has a surplus.
	Agency	Project Title	Budget Code	Amount Reallocated	Justification
From	OSBM	2013 R&R - OSBM Contingency Reserve	41303-4H01	\$113,300.00	
To	DOA	Government Complex - Urgent Repairs - Life Safety & Failed Building Systems	41301-4S37		This reallocation will allow DOA to address significant water intrusion problems in the Cooper Building. Office space occupied by the DHHS Vital Records group is experiencing flooding during heavy rain events and this problem needs to be fixed as soon as possible. The source funds for this transfer will be 2013 Reserve for Repairs and Renovations - OSBM Reserve for Contingency and Emergency Projects.
	Agency	Project Title	Budget Code	Amount Reallocated	Justification
From	DOA	Bicentennial Mall Repairs	40967-4N09	\$3,505.00	
To	DOA	Archives & History, Bath & Archdale Bldgs Steam Repair	40967-4N05		This reallocation will allow DOA to address the need to install insulation on the steam pipes within the steam manholes. This is a safety issue since the pipes need to be properly insulated in order for personnel to work in the manholes. The total cost to install the insulation is estimated at \$11,000.

**Reserve for Repairs & Renovations - Reallocation**

SL 2012-142 Section 26.11 requires OSBM to report to Gov Ops regarding any reallocations of Reserve for Repairs and Renovations fund.

	Agency	Project Title	Budget Code	Amount Reallocated	Justification
From	DOA	Admin Bldg Renovations	41201-4R21	\$86,000.00	
To	DOA	Administration Building Replace Fans in AHU's	41201-4R13		The Administration Building Replace Fans in AHU's (Air Handling Units) project has been underway for several weeks. The contractor performing this work discovered the AHU's needed additional bracing installed to prevent the units from collapsing. Further work also determined that the center AHU also contained leaking chilled water coils that must be repaired. This transfer will allow the contractor to perform the additional work and complete the project. The Admin Bldg Renovations project is being deferred because the the organization that was going to occupy space in the Administration Building basement has instead located to other available space.
	Agency	Project Title	Budget Code	Amount Reallocated	Justification
From	DOA	State Highway Patrol Training Academy - Bldg 2 & 3 Fire Alarms	40967-4N01	\$49,973.62	
From	DOA	Umstead Hospital - Steam and Hot Water Repairs	41260-4V01	\$26,186.78	
To	DOA	Artichoke, Administration, & Albemarle HVAC Repair	40967-4N06		The Capitol Fan coil unit replacement project involves replacement of the 20-year old fan coil units located in tunnels beneath the Capitol floor. These spaces are very tight and DOA is struggling to identify interested bidders for this work. As a result, the bid prices received for this work are quite a bit higher than originally estimated. The other two projects are completed and contain unexpended balances. This transfer will allow DOA to award a construction contract and this work can be completed. Total amount to transfer = \$60,000.00
	Agency	Project Title	Budget Code	Amount Reallocated	Justification
From	DOA	Bath Bldg-Replace Condensate TX, Controls, Main Steam Station, & Press Relief Valve	41301-4S42	\$60,000.00	
To	DOA	Government Complex - HVAC System Improvements	41301-4S48		The Capitol Fan coil unit replacement project involves replacement of the 20-year old fan coil units located in tunnels beneath the Capitol floor. These spaces are very tight and DOA is struggling to identify interested bidders for this work. As a result, the bid prices received for this work are quite a bit higher than originally estimated. The other two projects are completed and contain unexpended balances. This transfer will allow DOA to award a construction contract and this work can be completed.

**Reserve for Repairs & Renovations - Reallocation**

SL 2012-142 Section 26.11 requires OSBM to report to Gov Ops regarding any reallocations of Reserve for Repairs and Renovations fund.

Agency	Project Title	Budget Code	Amount Reallocated	Justification
From DOA	Bath Building-Replace Condensate Tk, Controls, Main Steam Station, & Press Relief Valve	41301-4S42	\$49,000.00	The State Capitol Building - Exterior Repairs to Windows project was recently bid and the available funding was sufficient only to repair half of the window. This transfer will allow a bid alternate to be awarded that will fund repairs for all of the windows. It is much more cost efficient to repair all of the windows at once instead of bidding the work separately. The Bath Building project (41301-4S42) is complete and contains unexpended funding.
To DOA	State Capitol Building - Exterior Repairs to Windows	41301-4S10		
Agency	Project Title	Budget Code	Amount Reallocated	Justification
From OSBM	Repair and Renovation - 2013	41303-4I01	\$85,400.00	The building located on Lot 28A at the Wanchese Marine Industrial Park is a pre-engineered metal structure. After years of exposure to salt air the building's structural framing is rusting away. The framing has deteriorated to the point that the tenant and state officials are concerned about the overall building integrity, especially considering the location is subject to high winds and storms. This transfer will allow the structural repairs to be completed.
To Depl of Commerce	Wanchese Building Repair	41318-4V01		
Agency	Project Title	Budget Code	Amount Reallocated	Justification
From DENR	Museum of Natural Sciences - Fire Panel Upgrade	41316-4P51	\$5,200.35	The bids for the Research Lab Chiller Replacement project came in over budget. The Lab Boiler Replacement, Grease Trap Replacement, and Fire Panel Upgrade projects are all complete and have unexpended balances. This transfer will allow the Research Lab Chiller replacement project to be awarded. The total amount to transfer is \$10,108.35
From DENR	Museum of Natural Sciences - Lab Boiler Replacement	41216-4N3B	\$3,183.00	
From DENR	Museum of Natural Sciences - Grease Trap Replacement	41316-4P52	\$1,725.00	
To DENR	Museum of Natural Sciences - Research Lab Chiller	41316-4P50		

**Reserve for Repairs & Renovations - Reallocation**

SL 2012-142 Section 26.11 requires OSBN1 to report to Gov Ops regarding any reallocations of Reserve for Repairs and Renovations fund.

	Agency	Project Title	Budget Code	Amount Reallocated	Justification
From	DHHS	Governor Morehead School Roofing	41240-4K02	\$1,396.50	
From	DHHS	Umstead Hospital - Steam and Hot Water Repairs	41260-4Y01	\$334.77	
From	DHHS	Electrical Upgrades	41262-4T01	\$10,997.53	
To					This transfer will allow DHHS to complete repairs to the fuel oil transfer pipes and steam heat trace pipe at Caswell Developmental Center. These repairs will allow Caswell to operate its boilers on two different fuel sources - fuel oil and natural gas. The ability to operate on fuel oil is important because during periods of high demand, the gas company will request that the facility shift away from natural gas. If Caswell is unable to make the shift away from natural gas, the gas company charges a much higher rate during high demand. All three of the other projects are complete and have remaining balances. The total amount to transfer is \$12,728.80
From	DCR	CSS Neuse Historic Site - Queen St. Bldg Exterior Painting	41314-4W21	\$7,242.91	
To	DCR	CSS Neuse Gunboat Project	40414-4G09		This transfer will allow DNCR to pay the final invoice from the project designer for the CSS Neuse Gunboat project. The CSS Neuse Queen St. Exterior Painting project is complete and has a surplus.
From	DOA	Phillips (PIN) Building Renovation	41201-4R20	\$50,000.00	
To	DOA	Phillips (PIN) Building Roof Replacement	41301-4S14		Both of these projects were recently bid. The Roof Replacement project bids are over budget and the Building Renovation project bids are under budget, and both projects are critical to providing a habitable building. This transfer will allow the Roof Replacement project to be awarded.