



# BUILD UP!

## NORTH AND SOUTH CAROLINA BUILDING DIVISIONS NEWSLETTER

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**CAROLINAS AGC – AUGUST 6, 2004**

### *CAGC HAS EXCELLENT SESSION OF N.C. GENERAL ASSEMBLY*

The construction industry fared extremely well in the 2004 short session of the N.C. General Assembly, which ended about daybreak on Sunday, July 18, after a marathon weekend. Highlights of the 10-week session for Carolinas AGC included:

- Legislative approval of over \$945.4 million for capital projects, mostly for construction. That included a special indebtedness package, largely for UNC System building projects and new juvenile detention centers. Lawmakers authorized a \$180 million cancer rehabilitation and treatment center at UNC-Chapel Hill and a \$60 million N.C. Cardiovascular Diseases Institute at East Carolina University.
- CAGC helped lead successful efforts to defeat several attempts to cap the variable component of the gas tax. The proposal would have caused an approximately \$50 million reduction in highway funding -- and reduced subsequent building and utility development as well.
- CAGC had legislative leaders ready to introduce legislation that would have struck down a recent interpretation by the N.C. Well Contractors Commission. The commission maintains that licensed well drillers are required to do temporary dewatering activities involving construction. CAGC agreed to work instead with the N.C. Well Contractors Commission, at their request, toward an exemption of licensed general contractors on this issue that affects utility, highway and building contractors as well as subcontractors.
- CAGC worked with Senate leaders, including Senate President Pro-Tem Marc Basnight, to successfully encourage them not to introduce proposed legislation that would have severely restricted impervious surfaces on new construction activity. A special provision in the budget bill, inserted by Sen. Basnight, instead provides NC DOT with up to \$15 million to develop innovative ways to filter stormwater from state-maintained drainpipes.
- CAGC rallied behind bills that would have rewarded companies for improving safety efforts, including helping reduce Hispanic accidents on construction sites, by giving tax credits or reductions for fines for OSHA violations. While the bills were not successful, they are eligible for study for recommendations to the Legislature after it reconvenes for its long session, beginning on January 26, 2005.

### **UNC and Other Capital Projects Approved by Lawmakers**

A CAGC analysis of legislation found that lawmakers approved over \$945.4 million for capital projects, mostly involving construction in the UNC System. Funding approved included \$76.8 million for state repairs and renovations; \$45.2 million in new capital projects; and House Bill 1264 authorized \$468 million, \$310 million for the current fiscal year and \$158 million for the next year, mostly for UNC System construction projects. In addition, HB 1699 authorized a total of \$355.5 million for non-appropriated capital projects that will be paid with dormitory and other self-liquidating revenue. Those projects include:

**House Bill 1264**

<b>Institution</b>	<b>Project</b>	<b>Authorization</b>
UNC Health Care	North Carolina Clinical Cancer Hospital	\$180,000,000
East Carolina University	Eastern Carolina Cardiovascular Diseases Institute	\$60,000,000
UNC Charlotte	Bioinformatics Center	\$35,000,000
Elizabeth City State University	Pharmacy School	\$28,000,000
UNC Asheville	Center for Health Promotions and Partnerships	\$35,000,000
Fayetteville State University	Land Acquisition - Center of Excellence of Teaching and Nursing	\$10,000,000
NC A&T and UNC-G Joint Millennial Campus	Land Acquisition	\$10,000,000
UNC Pembroke	Land Acquisition - Optometry School	\$10,000,000
Western Carolina, the Mountain Area Health Education Consortium and the NC Center for Aging	Land Acquisition - Consortium	\$10,000,000
Winston-Salem State University	Land for Biotechnology Education & Research	\$10,000,000
NC Dept. of Juvenile Justice & Delinquency Prevention	5 Youth Development Centers, Totaling 224 Beds	\$35,000,000
Parks	Renovation & Land	\$25,000,000
Military Bases	Land	\$20,000,000
<b>Total Capital Improvements</b>		<b>\$468,000,000</b>

**House Bill 1699**

<b>Appalachian State University</b>		
Central Dining Facility - Supplement		\$2,000,000
Steam Line Improvements		\$2,000,000
<b>East Carolina University</b>		
Administrative Offices		\$2,500,000
Stadium Maintenance Repairs - Phase III		\$2,600,000
Tyler & Fletcher Residence Halls - Air Conditioning and Window Upgrades		\$3,250,000
<b>North Carolina A&amp;T State University</b>		
Parking Deck		\$6,796,750
<b>North Carolina Central University</b>		
Biomanufacturing Research Institute and Training Enterprise (BRITE)		\$17,800,000
<b>North Carolina State University</b>		
Biomanufacturing Training and Education Center (BTEC)		\$33,500,000
Dining Hall Renovations		\$3,000,000

Renovation of Berry, Becton, and Bagwell Residence Halls-Supplement	\$4,000,000
Student Commons Improvements	\$3,500,000
Renovations to Reynolds Coliseum	\$1,500,000

**The University of North Carolina at Asheville**

Governor's Village Residence Hall	\$12,700,000
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**The University of North Carolina at Chapel Hill**

Ambulatory Care Renovations	\$1,800,000
Arthritis Research Center	\$1,800,000
Carmichael Fields 3 & 4	\$1,200,000
ITS Building-Supplement	\$4,000,000
Institute for Advanced Materials, Nanoscience & Nanotechnology	\$3,800,000
Educational Foundation Office Building	\$3,000,000
Athletic Facilities Improvements	\$1,100,000
Addition to WUNC Radio	\$1,000,000
School of Medicine Research Facilities-Addition	\$33,000,000
Student Family Housing	\$19,000,000
Morrison Residence Hall Renovations	\$24,000,000
Residence Halls Phase II-Supplement	\$20,500,000
The Daniels Building Renovations	\$7,000,000
Parking Facilities	\$17,000,000
Major Infrastructure Improvements	\$68,436,150
Campus Fiber Optic Wiring	\$8,000,000

**University of North Carolina at Charlotte**

Parking Deck-Supplement	\$4,200,000
Greek Village Housing	\$21,500,000
Student Union Building-Supplement	\$6,000,000

**University of North Carolina at Greensboro**

Parking Deck Addition	\$8,000,000
Residence Hall Renovations	\$4,500,000
Dining Hall Renovations	\$1,500,000

**Total Capital Projects** **\$355,500,000**

**Repairs and Renovations**

Lawmakers appropriated \$76,797,361 to the Statewide Reserve for Repairs and Renovations, of which \$35,326,786 (46%) was allocated to the UNC Board of Governors. Of the \$35.3 million, \$8.9 million was designated to restore bond funds used for mold remediation at NC Central University.

**Other Legislation of Importance**

- HB 1264 authorized a study by the university and community college systems of long-range capital plans, including modernization of and new uses for existing facilities.
- HB 1152 authorized the state Department of Administration to study the issue of retainage.
- Public owners in North Carolina cannot require a certain surety be used by a construction company. The successful bill was supported by CAGC.
- Legislation was defeated, with CAGC support that would have changed existing law concerning specifications on UNC System work.
- Wilmington architect Paul Boney and Raleigh engineer Willy Stewart, both solid CAGC supporters, were reappointed to the State Building Commission.
- CAGC helped water down legislation on several local bills in an effort to preserve open, competitive bidding on public construction work and also minimize force account work in which local government uses its own forces for construction.

- Local School Construction Financing Study: A 19-member commission is to be appointed to examine the present system of local financing for school facilities and “shall study alternative options for financing local school construction, renovation, repair and maintenance.”

## *2004 BUILDING DIVISION MEETING*

The 2004 Building/Utility/Subcontractor/Specialty Meeting at The Grove Park Inn in Asheville, N.C. was very successful. The number of attendees was close to 190 and the events and the weather were extremely enjoyable. **Please mark your calendar for next year’s meeting - July 14-17, 2005 at the Crowne Plaza Resort on Hilton Head Island. We look forward to seeing you at that meeting.**

## *CHANGES TO THE SOUTH CAROLINA BUILDING CODE*

**The following notification was recently published by the SC Building Codes Council:**

On May 25, 2004, in compliance with Section 6-9-50(A) of the South Carolina Code of Laws, 1976 as amended, the South Carolina Building Codes Council (BCC) formally adopted the following construction related codes for mandatory enforcement by all jurisdictions within the state. **The mandatory codes and the dates they must be implemented are:**

2003 International Building Code, January 1, 2005  
 2003 International Fire Code, January 1, 2005  
 2003 International Plumbing Code, January 1, 2005  
 2003 International Mechanical Code, January 1, 2005  
 2003 International Energy Efficiency Code, January 1, 2005

In addition to the codes listed above, the BCC also adopted the 2003 International Residential Code and the 2003 International Fuel Gas Code with modifications, which will be effective July 1, 2005.

All local jurisdictions must use only the codes and modifications approved by the BCC. Local modifications to the mandatory codes are not valid unless approved by the BCC and the local governing body prior to implementation. As of the date of this notice, application has not been made by any jurisdiction for consideration of local modifications to the codes listed above.

As permitted by Section 6-9-60 of the South Carolina Code of Laws, 1976 as amended, “permissive codes” may be used as needed by a local jurisdiction, but the codes must first be adopted by ordinance before enforcement can begin.

**The permissive codes are:**

2003 International Property Maintenance Code  
 2003 International Existing Building Code  
 2003 International Performance Code for Buildings and Facilities

The adoption of the mandatory and permissive codes does not include the chapters, sections or provisions addressing administrative policies or procedures. Administrative policies and procedures are the sole responsibility of each local jurisdiction. If the governing body of a local jurisdiction desires to use the administrative provisions in one or more of the International Codes, it must first adopt the chapters or sections by ordinance. In lieu of adopting the administrative provisions contained in the International Codes, the governing body of a local jurisdiction may develop specific administrative policies and procedures for the operation of its Building Inspection Department. If administrative policies and procedures are developed at the local level, they must be adopted by ordinance before they can take effect.

Appendixes to the mandatory and permissive codes may be used as needed by a local jurisdiction, but must first be adopted by ordinance before enforcement can begin.

All construction projects, for which a completed building permit application is filed with the Building Inspection Department by the close of business on the last business day before the implementation date, may be constructed under the applicable 2000 International Codes.