

## CAPITAL CONSTRUCTION - SUMMARY OF KEY RECOMMENDATIONS

### CAPITAL PROJECTS

The executive recommendation includes a total of \$664,108,401 for the following capital projects:

- \$78,049,464 for major capital projects.
- \$27,495,437 for extraordinary repairs.
- \$558,563,500 for other projects (including \$451,162,687 for the Department of Transportation and \$85,033,764 for the State Water Commission).

The funding sources for major capital projects and extraordinary repairs and other projects are as follows:

	General Fund	Special Funds
Major capital projects	\$9,974,884	\$68,074,580
Extraordinary repairs and other projects	25,447,004	560,611,933
Total	\$35,421,888	\$628,686,513

The executive budget in House Bill No. 1023 reauthorizes the State Water Commission to issue \$62.3 million in bonds for water and flood control projects originally authorized by the 1999 Legislative Assembly (Senate Bill No. 2188). The \$62.3 million in bond proceeds are designated for water and flood control projects in the following cities:

- Grand Forks - \$34 million.
- Devils Lake - \$20 million.
- Grafton - \$4.8 million.
- Wahpeton - \$3.5 million.

### STATE FACILITY ENERGY IMPROVEMENT PROGRAM

North Dakota Century Code Section 54-44.5-08 (1999 Senate Bill No. 2312) establishes the state facility energy improvement program and provides that all state agencies and institutions should, with the assistance of the Office of Management and Budget, identify capital improvements which may result in energy savings. Those capital improvement projects which are selected to be implemented are financed with the resulting savings in energy costs.

The executive recommendation includes a total of \$4,740,483 for state facility energy improvement program capital improvements. The following are the state agencies and institutions with qualifying energy-saving improvement projects and the recommended funding sources:

	General Fund	Special Funds (Bonding)
Office of Management and Budget	\$27,710	
University of North Dakota		\$3,990,785
North Dakota State University		296,348
Department of Corrections and Rehabilitation	73,040	
Department of Transportation		352,600
Total	\$100,750	\$4,639,733

### LEASE PAYMENTS

The executive recommendation includes funding in the budgets for the North Dakota University System, Department of Human Services, Department of Corrections and Rehabilitation, and Adjutant General for the 2001-03 biennium general fund lease payments for repayment of notes issued to finance capital projects. Please see the schedule on capital construction lease payments and outstanding principal balances.

North Dakota Century Code Section 54-17.2-23 limits the amount of lease payments paid from the general fund for a biennium to 10 percent of an equivalent one-cent sales tax. This maximum for the 2001-03 biennium is estimated to be \$16,908,000 based on projected sales, use, and motor vehicle excise tax collections included in the 2001-03 executive budget.

General fund lease payments are projected to be \$15,786,906 during the 2001-03 biennium. The executive recommendation includes the funding for the general fund lease payments in the budgets for the North Dakota University System, Department of Human Services, Department of Corrections and Rehabilitation, and Adjutant General. Previously, the funding for the general fund lease payments was appropriated to the Industrial Commission.