

JCCR MEETING

At its June 28 meeting, the JCCR considered the following issues:

ASU-East and West Lease-Purchase Projects – The JCCR favorably reviewed the issuance of Certificates of Participation (COPs) in the amounts of \$27.5 million for ASU-East and \$21.6 million for ASU-West. The issuance will fund renovation and expansion projects at each campus. The Committee also requested additional information, including operating impacts, on the ASU-East renovation and expansion projects. Pursuant to Proposition 301, the annual COP repayments are to come from the education sales tax increase.

ASU Revised Bonding Plan – The JCCR favorably reviewed the revised \$100.0 million bonding plan for ASU. The scope of the Mediated Classroom project has been expanded to accommodate the loss of usable space in the structurally unsound Social Sciences Building. As a result of the expanded scope, bond financing for 4 other projects in the plan was eliminated or reduced. The loss of the bond financing will be replaced with COP financing. There was discussion on enhancing JCCR oversight of university COP issuances and whether movable equipment for the Mediated Classroom Building should be bond financed. Projects in the bonding plan will require Committee approval before bonds may be issued.

ADOA FY 2002 Building Renewal Allocation Plan – The JCCR favorably reviewed the FY 2002 Building Renewal Allocation Plan totaling \$9.4 million for 53 projects. While General Fund Building Renewal funds were line item vetoed, 27% of the Arizona Department of Administration's (ADOA) general Building Renewal formula will be financed from non-General Fund sources. The Committee also requested that ADOA submit any new projects or reallocation of funding among projects to JLBC Staff, and that JLBC Staff report any changes greater than \$50,000 to the Committee.

Prison Fencing Improvements – The JCCR favorably reviewed the expenditure of up to \$100,000 for assessment and design of security improvements at 5 prison complexes. The \$100,000 will come from a \$1.4 million appropriation for safety improvements related to correcting a design flaw of fencing around prison administration buildings.

ADOT Construction Operating Budget – The JCCR favorably reviewed the FY 2002 ADOT Construction Operating Budget totaling \$149.2 million with the understanding that quality-related performance measures would be considered in future meetings.

There was also discussion of the newly-updated 5-year transportation facilities construction plan. ADOT has used its increased bonding and board funding obligation authority so as to prevent any delays in existing projects.

Other Actions - The Committee favorably reviewed several ADOT projects, including new Motor Vehicle Division

Service Centers in Cottonwood and Glendale and a Regional Transportation Center in Prescott. The JCCR also received its quarterly report on Kartchner Caverns. The opening of the lower caverns continues to be on schedule for November 2003.