

STATE OF ARIZONA

Joint Committee on Capital Review

STATE
SENATE

RANDALL GNANT
CHAIRMAN 1999
GUS ARZBERGER
RUSSELL W. "RUSTY" BOWERS
JACK A. BROWN
TOM SMITH
RUTH SOLOMON
JOHN WETTAW

1716 WEST ADAMS
PHOENIX, ARIZONA 85007

PHONE (602) 542-5491

FAX (602) 542-1616

HOUSE OF
REPRESENTATIVES

BOB BURNS
CHAIRMAN 2000
DEAN COOLEY
LORI S. DANIELS
KAREN S. JOHNSON
BOB MCLENDON
ANDY NICHOLS
CHRISTINE WEASON

MEETING NOTICE

DATE: February 21, 2000
TIME: 8:00 a.m.
PLACE: HOUSE HEARING ROOM 4

TENTATIVE AGENDA

- Call to Order
- [Approval of Minutes of December 14, 1999.](#)
- EXECUTIVE SESSION – Acquisition of Real Property.*
- DIRECTOR'S REPORT (if necessary).
- 1. ARIZONA DEPARTMENT OF ADMINISTRATION –
 - [A. Review Scope, Purpose, and Estimated Cost of Preliminary Sitework for the New Arizona State Hospital Facility.](#)
 - [B. ADOA Proposal for Capitol Mall Office Buildings.](#)
- 2. [DEPARTMENT OF EMERGENCY AND MILITARY AFFAIRS – Report on Clifton Flood Control Project.](#)

* As permitted under A.R.S. § 38-431.03(A)(7).

The Chairman reserves the right to set the order of the agenda.
02/15/00

People with disabilities may request accommodations such as interpreters, alternative formats, or assistance with physical accessibility. Requests for accommodations must be made with 72 hours prior notice. If you require accommodations, please contact the JLBC Office at (602) 542-5491.

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MINUTES OF THE MEETING **JOINT COMMITTEE ON CAPITAL REVIEW**

December 14, 1999

The Chairman called the meeting to order at 2:40 p.m. Tuesday, December 14, 1999, in Senate Appropriations Room 109 and attendance was noted.

Members:	Senator Gnant, Chairman Senator Arzberger Senator Bowers Senator Brown Senator Smith Senator Solomon	Representative Burns, Vice-Chairman Representative Cooley Representative Weason Representative McLendon Representative Nichols
Absent:	Senator Wettaw	Representative Daniels Representative Johnson
Staff:	Richard Stavneak Jennifer Vermeer Lorenzo Martinez Lynne Smith	Adele Garcia Chris Earnest Indya Kincannon Paul Shannon
Others:	Greg Fahey, UofA Joel Valdez, UofA Charlene Ledet, UofA Dick Roberts, UofA Jim Hillyard, ADJC Dr. Philip Geiger, SFB	David Lujan, Atty. General's Office Bruce Ringwald, ADOA Tony Seese-Bieda, ABOR Dave Harris, ABOR Gene Messer, DHS Vicki Davis, DHS

SENATOR GNANT ASKED FOR CORRECTIONS OR ADDITIONS TO THE MINUTES OF OCTOBER 14, 1999. HEARING NONE, THE MINUTES WERE APPROVED AS PRESENTED.

ARIZONA DEPARTMENT OF ADMINISTRATION - Review Scope, Purpose and Expenditure Plan for the Construction of the Sexually Violent Persons Facility.

REPRESENTATIVE BURNS MOVED THE COMMITTEE GIVE A FAVORABLE REVIEW TO THE SCOPE, PURPOSE AND EXPENDITURE PLAN FOR THE CONSTRUCTION OF THE 60-BED SEXUALLY VIOLENT PERSONS FACILITY TO BE CONSTRUCTED AT THE ARIZONA STATE HOSPITAL AND THAT ANY TRANSFERS AMONG THE SUBMITTED COST CATEGORIES IN EXCESS OF \$100,000 BE REPORTED TO THE JLBC STAFF PRIOR TO EXPENDITURE. The motion carried.

ARIZONA DEPARTMENT OF ADMINISTRATION - Review the Scope of the Sexually Violent Persons Facility.

Representative Weason inquired why the sexually violent persons program currently does not have adequate space for support services, such as attorney/client visitation.

JLBC Staff analyst, Jennifer Vermeer indicated that the additional support space is required as a result of the growing population.

Representative Weason questioned whether the sexually violent person's facility revealed any type of "log-in" to verify that these facilities were continuously being used.

Jennifer Vermeer indicated that that type of information was not submitted. This type of space is part of their permanent base plan and part of the \$75 million proposed allocation for the Arizona State Hospital (ASH) Campus. What the Committee is reviewing is a temporary arrangement until a permanent plan for ASH is developed.

REPRESENTATIVE BURNS MOVED THE COMMITTEE GIVE A FAVORABLE REVIEW TO THE REVISED SCOPE OF THE SEXUALLY VIOLENT PERSONS FACILITY AUTHORIZED BY LAWS 1998, CHAPTER 1 TO INCLUDE MODULAR CONSTRUCTION FOR SUPPORT SPACE. The motion carried.

ARIZONA STATE PARKS - Kartchner Caverns State Park Quarterly Status Report.

Senator Gnant asked what the capacity of tour visitors per day was. JLBC Staff analyst, Chris Earnest responded that he did not know and that no one from State Parks was present to answer that question. Senator Gnant asked if Mr. Earnest if he knew roughly, the tour capacity.

Mr. Earnest indicated that Kartchner Caverns State Park is currently running tours every 20 minutes with a capacity of 14 persons per tour. Mr. Earnest indicated that Kartchner Caverns State Park is sold out until March 2000, at least.

Representative Weason questioned what the source of the Enhancement Fund was.

Mr. Earnest indicated that Enhancement Fund monies come from park entrance fees.

ARIZONA DEPARTMENT OF JUVENILE CORRECTIONS - Review Revised Scope of the Southwest Regional Juvenile Corrections Complex.

Senator Smith asked if the state had created additional expense by having the two facilities situated so far apart from one another that the administrative functions could not cover both facilities.

JLBC Staff analyst, Indya Kincannon pointed out that she had visited the site and it was her impression that Eagle Point and Sunrise Mountain are about a ½ mile from each other. Ms. Kincannon remarked that it was her understanding that the agency does not intend to hire any more staff, the additional space would alleviate the inadequacy of space in existing facilities.

Representative Weason expressed concerns about the Black Canyon plan to create an all-female juvenile unit. Representative Weason asked what would happen to the male juveniles.

Ms. Kincannon indicated that the male juveniles would be moved to the Buckeye facility.

Representative Weason asked about the mental health facility for girls and wanted to know why the state was only providing mental health services for females and not males.

Ms. Kincannon remarked that the males already have a mental health facility.

REPRESENTATIVE BURNS MOVED THE COMMITTEE GIVE A FAVORABLE REVIEW TO THE REVISED SCOPE OF THE SOUTHWEST REGIONAL JUVENILE CORRECTIONS COMPLEX AND THAT THE AGENCY SUBMIT A LONG RANGE PLAN FOR ALL BEDS, INCLUDING BUDGET IMPLICATIONS, TO THE JLBC BY JANUARY 21, 2000. The motion carried.

ARIZONA BOARD OF REGENTS - Review Revised Multi-Year Bonding Plan for the University of Arizona.

REPRESENTATIVE BURNS MOVED THE COMMITTEE GIVE A FAVORABLE REVIEW TO THE REVISIONS TO THE ARIZONA BOARD OF REGENTS MULTI-YEAR BONDING PLAN FOR THE UNIVERSITY OF ARIZONA. The motion carried.

ARIZONA BOARD OF REGENTS - Approval of University of Arizona Bond Projects.

REPRESENTATIVE BURNS MOVED THE COMMITTEE APPROVE THE ISSUANCE OF \$11,300,000 IN ACADEMIC REVENUE BONDS FOR IMPROVEMENTS TO THE MAIN LIBRARY AND AN ADDITIONAL ISSUANCE OF \$10,000,000 IN ACADEMIC REVENUE BONDS FOR PHASE V OF INFRASTRUCTURE IMPROVEMENTS AT THE UNIVERSITY OF ARIZONA. THE COMMITTEE FURTHER RECOMMENDED THAT ANY TRANSFERS AMONG THE SUBMITTED COST CATEGORIES IN EXCESS OF \$100,000 BE REPORTED TO THE JLBC STAFF PRIOR TO EXPENDITURE. The motion carried.

The Chairman adjourned the meeting at 2:50 p.m.

Adele Garcia, Secretary

Lorenzo Martinez, Senior Fiscal Analyst

Senator Randall Gnant, Chairman

NOTE: A full tape recording of this meeting is on file in the JLBC Staff office at 1716 W. Adams.

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CHRISTINE WEASON

DATE: February 16, 2000

TO: Representative Robert "Bob" Burns, Chairman
Members, Joint Committee on Capital Review

THRU: Richard Stavneak, Director

FROM: Jennifer Vermeer, Assistant Director

SUBJECT: REVIEW SCOPE, PURPOSE, AND ESTIMATED COST OF PRELIMINARY
SITWORK FOR THE NEW ARIZONA STATE HOSPITAL FACILITY

Request

The Arizona Department of Administration (ADOA) requests review of the scope, purpose, and estimated cost of preliminary sitework and demolition for the new 176 civil hospital at the Arizona State Hospital (ASH).

Recommendation

The JLBC Staff recommends a favorable review of the request. The JLBC Staff, further recommends that any transfers among the submitted cost categories in excess of \$100,000 be reported to the JLBC Staff prior to expenditure.

Analysis

Laws 1999, Chapter 1 appropriated \$80,000,000 across 4 fiscal years from FY 2000 through FY 2003 from the ASH Capital Construction Fund for construction of new facilities at ASH. The project is intended to include a new 176-bed civil hospital, renovation of existing buildings for the ASH forensic population and a combination of renovation and new construction for the Sexually Violent Persons (SVP) program. Chapter 1 established the ASH Capital Construction Commission to review and make recommendations to the Joint Committee on Capital Review on construction and renovation plans for the project. A total of \$20,000,000 is appropriated in FY 2000.

(Continued)

February 16, 2000

ADOA requests approval of the expenditure of \$3,522,000 from the \$20,000,000 FY 2000 appropriation for preliminary sitework and demolition. The preliminary work would include asbestos abatement and demolition of buildings and utility tunnels that are in the "footprint" of the new building. In addition, the request includes monies to procure a consultant to begin work on request for proposals to begin planning for all 3 phases of the project (civil, forensic and SVP). The plan would be presented to the commission when it is appointed. The project has not been bid. The following lists the estimated costs of the various project components:

Asbestos abatement	\$800,000
Demolition	715,000
Tunnels	300,000
Engineering plans for the demolition	300,000
RFP consultant for design and planning	520,000
Sitework	300,000
Contingency (20%)	<u>587,000</u>
Total	\$3,522,000

The contingency allocation is typically set at 10%. The request above includes a contingency allocation of 20%. The higher allocation is due to uncertainty regarding the cost of demolishing the tunnels, which are in very poor condition. In addition, since the project has not been bid, there is some uncertainty regarding the other components of the request as well. As a result, the JLBC Staff recommends a favorable review, but recommends that ADOA report the costs to the JLBC Staff when bids have been received.

Chapter 1 specifies that the Commission shall review and make recommendations on capital construction and renovation plans at ASH. The Commission has not yet been appointed, but Chapter 1 requires that the Commission be appointed by May 1, 2000 and meet by May 31, 2000. The scope of the request is for preliminary work limited to activities that need to be completed in preparation for new construction or renovation. Since the request does not include any new construction or any monies to begin renovation of the buildings, it does not appear that the Commission would need to be in place for this phase of the ASH project to proceed. ADOA would like to begin the work now because even under the current schedule, the demolition will not be complete until December 2000. If the preliminary work is delayed until May, the demolition would not be complete until March or April of 2001.

RS:JV:jb

Jane Dee Hull
Governor



J. Elliott Hibbs
Director

ARIZONA DEPARTMENT OF ADMINISTRATION
GENERAL SERVICES DIVISION • 15 SOUTH 15TH AVENUE, SUITE 101
PHOENIX, ARIZONA 85007
(602) 542-1920



February 2, 2000

Representative Burns, Chairman
Joint Committee on Capital Review
1700 West Washington
Phoenix, Arizona 85007

RE: Request for Placement on Joint Committee on Capital Review Agenda – February 2000

Dear Representative Burns:

The Department of Administration requests placement on the February 2000 agenda of the Joint Committee on Capital Review to review the following three items.

1. Expenditure plan for allocation of funds from Laws 2000, Chapter 1, for the abatement and demolition of the area for the Arizona State Hospital Behavioral Health Facility.
2. Procurement of design services and infrastructure repair.
3. Procurement of consultant to develop RFP and plan of action.

The information for this project is attached.

Sincerely,

Elliott Hibbs, Director
Arizona Department of Administration

Attachment

cc: The Honorable Randall Gnant, Arizona Senate
Tom Betlach, Director, OSPB
Richard Stavneak, Staff Director, JLBC
Lorenzo Martinez, JLBC
Robert C. Teel, Assistant Director, ADOA
Dr. James L. Shamadan, Director, ADHS
Leslie Schwalbe, Deputy Director, ADHS
Randy Warren, Deputy Director, ADHS
Jack Silver, Superintendent, ASH
Walter Scott, Chief Operating Officer, ASH
Gene Messer, Director, Arizona Community Protection Treatment Center
Maria Black, Administrator, DHS

ARIZONA STATE HOSPITAL

BACKGROUND

Laws 2000, Chapter 1, signed by Governor Hull January 19, 2000, appropriated the following sums for the following fiscal years 2000-2003 from the monies in the Arizona state hospital capital construction fund to the Department of Administration for the demolition, renovation and construction of the Arizona state hospital. The Department of Administration is exempt from the provisions of title 41, chapter 23, Arizona Revised Statutes, relating to procurement procedures for the purposes of this project but shall report to the Joint Committee on Capital Review and the Arizona State Hospital Capital Construction Commission as to any procurement procedures that vary from those specified in title 41, chapter 23, Arizona Revised Statutes:

1. \$20,000,000 in fiscal year 1999-2000.
2. \$20,000,000 in fiscal year 2000-2001.
3. \$20,000,000 in fiscal year 2001-2002.
4. \$20,000,000 in fiscal year 2002-2003.

The newly created Arizona State Hospital Capital Construction Commission shall review capital construction and renovation plans at the Arizona State Hospital for Forensic, Civil, and Sexually Violent Persons facilities, the design of the facilities, and future use of the facilities and make recommendations to the Department of Administration and the Joint Committee on Capital Review.

STATUS

At the proposed site for the Behavioral Health Hospital a number of buildings are vacant at this time. Within these buildings abatement of hazardous materials, primarily asbestos, can begin with demolition to follow. Also design and construction of a crumbling infrastructure can begin which is not related to the design and placement of the new Behavioral Health Hospital.

Request

The Department of Administration, Construction Services requests that the Joint Committee on Capital Review approves releasing funds to accomplish the following tasks:

- **Architectural / Engineering Fees to begin abandonment of the tunnels**
- **Abatement and demolition of unoccupied buildings in the proposed location of the Civil Hospital. These buildings include the Cottages, Encanto, Hermosa, Kachina, Lincoln Halls 1 & 2, Eagle .**
- **Sitework issues such as the removal of overhead power and parking**
- **Rerouting utilities for the abandonment of the Tunnels (Priority to Juniper & Wick)**
- **Improve the Juniper and Wick HVAC without renovations to the interior.**
- **ADOA project support**
- **Procurement of consultant to develop a RFP and plan of action for logistics for presentation to the Arizona State Hospital Capitol Construction Commission**

Total Funds Requested for Release

\$8,566,000

Attached tentative time frames:

Tentative Time Table of Beginning Activities For the Arizona State Hospital Calendar Year 2000

Location	Action	Start	End
Hermosa Hall Kachina Hall Cottages 1,2,3,4,7 Lincoln Halls 1 & 2 Eagle Hall Lab & Morgue	Asbestos Abatement	March 2000	July 2000
Hermosa Hall Kachina Hall Cottages 1,2,3,4,7 Lincoln Halls 1 & 2 Eagle Hall Lab & Morgue Encanto	Demolition	July 2000	December 2000
Civil Hospital, Forensic Hospital, Sexually Violent Persons Program	Procure Consultant & Develop RFP and plan of action for presentation to Arizona State Hospital Capitol Construction Commission and JCCR	February 2000	June 2000
Tunnels	Design for rerouting utilities	February 2000	May 2000
Tunnels	Begin Relocation of Utilities	June 2000	Before last building is constructed
Juniper & Wick	Upgrade HVAC	September 2000	October 2000

State of Arizona
House of Representatives
Forty-fourth Legislature
Second Regular Session
2000

House Engrossed

FILED

Betsey Bayless
Secretary of State

CHAPTER 1

HOUSE BILL 2019

AN ACT

AMENDING TITLE 36, CHAPTER 2, ARTICLE 1, ARIZONA REVISED STATUTES, BY ADDING SECTION 36-218; AMENDING TITLE 41, CHAPTER 27, ARTICLE 2, ARIZONA REVISED STATUTES, BY ADDING SECTION 41-3010.01; MAKING AN APPROPRIATION; RELATING TO THE ARIZONA STATE HOSPITAL.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Title 36, chapter 2, article 1, Arizona Revised Statutes,
3 is amended by adding section 36-218, to read:

4 36-218. Arizona state hospital capital construction commission:
5 members; duties

6 A. AN ARIZONA STATE HOSPITAL CAPITAL CONSTRUCTION COMMISSION IS
7 ESTABLISHED CONSISTING OF THE FOLLOWING MEMBERS:

8 1. THE DIRECTOR OF THE DEPARTMENT OF HEALTH SERVICES OR THE DIRECTOR'S
9 DESIGNEE.

10 2. THE CHIEF EXECUTIVE OFFICER OF THE MARICOPA COUNTY INTEGRATED
11 HEALTH SYSTEM OR THE CHIEF EXECUTIVE OFFICER'S DESIGNEE.

12 3. THE MARICOPA COUNTY SHERIFF OR THE SHERIFF'S DESIGNEE.

13 4. THE CHAIRMAN OF THE BOARD OF SUPERVISORS OF A COUNTY WITH A
14 POPULATION OF LESS THAN FIVE HUNDRED THOUSAND PERSONS WHO IS APPOINTED BY THE
15 PRESIDENT OF THE SENATE.

16 5. A MENTAL HEALTH ADVOCATE WHO REPRESENTS AN ORGANIZATION THAT
17 REPRESENTS ARIZONA STATE HOSPITAL PATIENTS AND WHO IS APPOINTED BY THE
18 SPEAKER OF THE HOUSE OF REPRESENTATIVES.

19 6. A REPRESENTATIVE OF THE BUSINESS COMMUNITY WHO IS APPOINTED BY THE
20 PRESIDENT OF THE SENATE.

21 7. A CURRENT OR FORMER PATIENT OF THE ARIZONA STATE HOSPITAL WHO IS
22 APPOINTED BY THE SPEAKER OF THE HOUSE OF REPRESENTATIVES.

23 8. A PSYCHIATRIST WHO IS NOT EMPLOYED BY OR UNDER CONTRACT WITH THIS
24 STATE AND WHO IS APPOINTED BY THE GOVERNOR.

25 9. A FAMILY MEMBER OF A PERSON WITH A SERIOUS MENTAL ILLNESS WHO IS
26 APPOINTED BY THE SPEAKER OF THE HOUSE OF REPRESENTATIVES.

27 10. TWO MEMBERS OF THE SENATE WHO ARE APPOINTED BY THE PRESIDENT OF THE
28 SENATE AND WHO ARE FROM DIFFERENT POLITICAL PARTIES AND TWO MEMBERS OF THE
29 HOUSE OF REPRESENTATIVES WHO ARE APPOINTED BY THE SPEAKER OF THE HOUSE OF
30 REPRESENTATIVES AND WHO ARE FROM DIFFERENT POLITICAL PARTIES. LEGISLATIVE
31 MEMBERS ARE NONVOTING ADVISORY MEMBERS.

32 11. ONE MEMBER OF THE ARIZONA STATE HOSPITAL ADVISORY BOARD WHO IS
33 APPOINTED BY THE GOVERNOR.

34 12. A REPRESENTATIVE OF THE BUSINESS COMMUNITY WITH EXPERIENCE IN
35 PUBLIC AND PRIVATE SECTOR FINANCIAL MANAGEMENT WHO IS APPOINTED BY THE
36 PRESIDENT OF THE SENATE.

37 13. A REPRESENTATIVE OF THE BUSINESS COMMUNITY WITH EXPERIENCE IN
38 FACILITY CONSTRUCTION MANAGEMENT WHO IS APPOINTED BY THE PRESIDENT OF THE
39 SENATE.

40 B. COMMISSION MEMBERS SERVE FOUR YEAR TERMS.

41 C. THE COMMISSION SHALL HOLD ITS INITIAL MEETING NO MORE THAN THIRTY
42 DAYS AFTER THE MEMBERS ARE APPOINTED, AND APPOINTMENTS SHALL BE MADE BY MAY
43 1, 2000. AFTER ITS INITIAL MEETING THE COMMISSION SHALL MEET AT THE CALL OF
44 THE CHAIRMAN. THE COMMISSION SHALL MEET AT LEAST FOUR TIMES A YEAR.

1 D. AT ITS INITIAL MEETING THE COMMISSION SHALL ELECT FROM AMONG ITS
2 MEMBERSHIP A CHAIRMAN AND ANY OTHER OFFICERS THAT THE COMMISSION DEEMS
3 NECESSARY. A MAJORITY OF THE COMMISSION CONSTITUTES A QUORUM.

4 E. COMMISSION MEMBERS ARE NOT ELIGIBLE TO RECEIVE COMPENSATION BUT ARE
5 ELIGIBLE FOR REIMBURSEMENT OF EXPENSES FROM THE DEPARTMENT PURSUANT TO TITLE
6 38, CHAPTER 4, ARTICLE 2.

7 F. THE DIVISION SHALL SUPPLY STAFF AND OTHER SERVICES TO THE
8 COMMISSION.

9 G. THE COMMISSION SHALL REVIEW CAPITAL CONSTRUCTION AND RENOVATION
10 PLANS AT THE ARIZONA STATE HOSPITAL FOR FORENSIC, CIVIL, AND SEXUALLY VIOLENT
11 PERSONS FACILITIES, THE DESIGN OF THE FACILITIES, AND FUTURE USE OF THE
12 FACILITIES AND MAKE RECOMMENDATIONS TO THE DEPARTMENT OF ADMINISTRATION AND
13 THE JOINT COMMITTEE ON CAPITAL REVIEW.

14 Sec. 2. Title 41, chapter 27, article 2, Arizona Revised Statutes, is
15 amended by adding section 41-3010.01, to read:

16 41-3010.01. Arizona state hospital capital construction
17 commission; termination July 1, 2004

18 A. THE ARIZONA STATE HOSPITAL CAPITAL CONSTRUCTION COMMISSION
19 TERMINATES ON JULY 1, 2004.

20 B. SECTION 36-218 IS REPEALED ON JANUARY 1, 2005.

21 Sec. 3. Supplemental appropriations; state hospital; repayment;
22 exemption

23 A. In addition to the appropriation made by Laws 1999, first special
24 session, chapter 1, section 4, the following sums are appropriated in the
25 following fiscal years from the monies in the Arizona state hospital capital
26 construction fund established by section 4 of this act to the department of
27 administration for the demolition, renovation and construction of the Arizona
28 state hospital. The department of administration is exempt from the
29 provisions of title 41, chapter 23, Arizona Revised Statutes, relating to
30 procurement procedures for purposes of this project but shall report to the
31 joint committee on capital review and the Arizona state hospital capital
32 construction commission as to any procurement procedures that vary from those
33 specified in title 41, chapter 23, Arizona Revised Statutes. The department
34 shall use an architect with at least ten years' experience in hospital design
35 and construction:

- 36 1. \$20,000,000 in fiscal year 1999-2000.
- 37 2. \$20,000,000 in fiscal year 2000-2001.
- 38 3. \$20,000,000 in fiscal year 2001-2002.
- 39 4. \$20,000,000 in fiscal year 2002-2003.

40 Of the amounts appropriated, the department of administration may allocate
41 up to \$252,000 and four FTE positions each of the fiscal years of the
42 appropriation to manage and oversee the project until its completion.

43 B. If state-specific finality as defined in the national tobacco
44 lawsuit master settlement agreement is achieved, interest earnings from the
45 budget stabilization fund deposited into the Arizona state hospital capital

1 construction fund in section 4 of this act shall be repaid by the state
2 treasurer to the budget stabilization fund from the first \$80,000,000 in
3 up-front tobacco settlement monies received by this state. The repayments
4 shall be made in the following amounts in the following fiscal years:

- 5 1. Fiscal year 1999-2000, \$20,000,000.
- 6 2. Fiscal year 2000-2001, \$20,000,000.
- 7 3. Fiscal year 2001-2002, \$20,000,000.
- 8 4. Fiscal year 2002-2003, \$20,000,000.

9 C. At a minimum, the department of administration shall use monies
10 appropriated pursuant to this section to provide one hundred seventy-six new
11 civil beds to be located on the current grounds of the state hospital at
12 Twenty-fourth street and Van Buren road in Phoenix and to renovate and expand
13 the facilities at that site to address physical plant needs for civil and
14 forensic populations, an adolescent unit and sexually violent offenders.

15 D. Following the recommendations of the Arizona state hospital capital
16 construction commission pursuant to section 36-218, subsection G, Arizona
17 Revised Statutes, the project is subject to review by the joint committee on
18 capital review, including a review of the request for proposals and proposals
19 of builders, a review of the entire plan before construction is started and
20 quarterly updates of the project.

21 E. The appropriations made pursuant to this section are exempt from
22 the provisions of section 35-190, Arizona Revised Statutes, relating to
23 lapsing of appropriations until July 1, 2003.

24 Sec. 4. Arizona state hospital capital construction fund; budget
25 stabilization fund monies; distribution; reversion

26 An Arizona state hospital capital construction fund is established.
27 Notwithstanding section 35-144, Arizona Revised Statutes, the state treasurer
28 shall deposit \$20,000,000 in each of the fiscal years 1999-2000, 2000-2001,
29 2001-2002 and 2002-2003 from the interest earnings on the budget
30 stabilization fund monies into the Arizona state hospital capital
31 construction fund. Deposits shall be made on an equal monthly basis. The
32 last deposit shall be made in June, 2003. All interest earned on investment
33 of monies in the Arizona state hospital capital construction fund shall be
34 credited to the fund. All monies in the fund remaining unexpended and
35 unencumbered on July 1, 2005, revert to the budget stabilization fund.

36 Sec. 5. Emergency

37 This act is an emergency measure that is necessary to preserve the
38 public peace, health or safety and is operative immediately as provided by
39 law.

APPROVED BY THE GOVERNOR JANUARY 19, 2000

FILED IN THE OFFICE OF THE SECRETARY OF STATE JANUARY 19, 2000

Memorandum

To: Jennifer Vermeer
From: John Sempert SS
Date: 02/10/00
Re: Additional information concerning February JCCR Request

Sight Work Items

- Relocation of power from the APS substation located on 24th Street
- Relocation of the power is because the lines currently pass through the middle of the proposed Civil Hospital.
- JCAHO (Joint Commission on the Accreditation of Healthcare Organization) rules also dictate that electrical power for ASH must come from two separate substations.
- Installing permanent parking lot east of Juniper and Wick to alleviate current parking problems and construction parking. There are no major activities in that area and the staff are now parking on the dirt, which turns to mud after a rain.
- Currently Juniper and Wick are used for civil, forensic and adolescent populations.

Tunnel Work

- Abandonment of the tunnel to Juniper and Wick after utilities in the tunnel are rerouted to get efficient energy to Juniper and Wick.
- The piping to the Juniper and Wick will be a four-pipe system for heating and cooling.
- Removal of the tunnel running to the new Civil Hospital.
- This is the first step in abandoning as much of the tunnel system as possible.
- I have attached a map showing the location of the two tunnels.

NOTE: The tunnel to Alhambra and Flamenco was not in the budget for replacement or removal.

Memorandum

To: Jennifer Vermeer

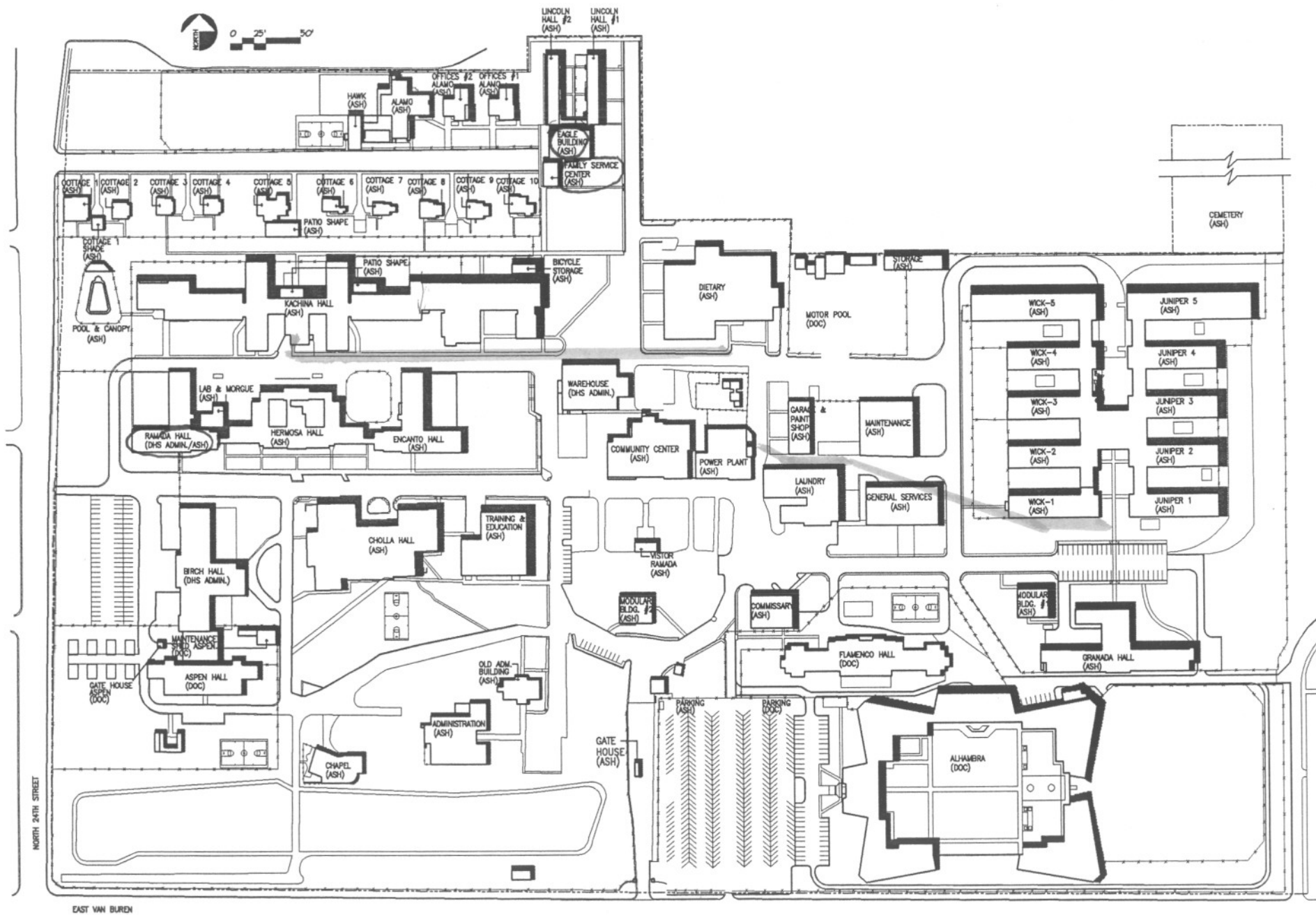
From: John Sempert

Date: 02/10/00

Re: Additional information concerning February JCCR Request

HVAC Units

- After the piping is complete, the old units will be replaced without renovation of the ductwork to assist with climate control.
- This will help the climate control for the patients until the Civil Hospital is complete and interior renovations can start on Juniper and Wick.
- These will be permanent replacements to alleviate climate control problems resulting from deteriorated units.



BUILDING INVENTORY **ARIZONA STATE HOSPITAL**

DWL Architects + Planners, Inc.
 10/23/95
 10/23/95

February JCCR Request Budget for Calendar Year 2000

	Requested \$
Abatement	\$ 800,000.00
Demolition	\$ 715,000.00
A&E RFP	\$ 300,000.00
Site work	\$ 300,000.00
Sitework design	\$ 520,000.00
Tunnels	\$ 300,000.00
Telephone & Data	\$ -
Forensic A/H	\$ -
Contingency @ 20%	\$ 587,000.00
Due to unknowns underground	
	\$ 3,522,000.00

Demolition and Sitework at the Arizona State Hospital Campus
Briefing Sheet for February 21, 2000 JCCR Meeting

ADOA requests \$3.5 million from the ASH Capital Construction Fund for preliminary work for the civil hospital to include:

- asbestos abatement,
- demolition of structures,
- removal of tunnel structure and piping running to civil site,
- filling and compacting tunnel void,
- sitework design,
- development of a proposal and RFP to present to the JCCR and the Arizona State Hospital Capital Construction Commission.

The projects listed above are strictly preliminary steps which must be accomplished prior to the construction of a new civil facility. *This initial phase of operations will not affect the final design of the new civil building.*

Laws 2000, Chapter 1 which provided \$80 million for ASH capital projects was passed as an emergency measure, and the proposed \$3.5 million expenditure plan supports the Legislative intent of initiating the project as swiftly as possible.

STATE OF ARIZONA

Joint Committee on Capital Review

STATE
SENATE

RANDALL GNANT
CHAIRMAN 1999
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DATE: February 16, 2000

TO: Representative Robert "Bob" Burns, Chairman
Members, Joint Committee on Capital Review

THRU: Richard Stavneak, Director

FROM: Lynne Smith, Senior Fiscal Analyst
Lorenzo Martinez, Senior Fiscal Analyst

SUBJECT: ADOA PROPOSAL FOR CAPITOL MALL OFFICE BUILDINGS

Request

The Arizona Department of Administration (ADOA) requests that the Committee review its proposal to negotiate a contract for Privatized Lease To Own (PLTO) development on the Capitol Mall. This contract is essentially a lease-purchase agreement to build two new office buildings on the Capitol Mall totaling 485,000 square feet.

Recommendation

Given that the proposal would construct two major office buildings on the Capitol Mall and essentially commit the state to making lease payments for up to 25 years, the JLBC Staff recommends that the Committee take no action and that ADOA seek authorization from the full Legislature for these lease-purchase buildings. At this time, however, we believe that ADOA has submitted insufficient information for the Legislature to consider its proposal. The JLBC Staff further recommends that, if the Legislature authorizes the proposal, ADOA submit any lease-purchase agreement to JCCR for review and approval before the transaction takes effect.

Analysis

At the August 5, 1999 JCCR meeting, ADOA submitted a report on its lease-purchase proposal. The proposal envisions selecting a private development company to build two state office buildings on state land within the Capitol Mall. The developer would plan and design in accordance with the State's requirements and then construct and operate the buildings. The State would lease the two office buildings from the developer for a specified period (20-25 years) in accordance with the terms the State presently uses for private office leases. The State would offset the annual lease payment to the development company by utilizing the aggregate appropriated funds in state agency budgets for private sector lease space. Exclusive of relocation costs, this would be the planned revenue stream for this project. ADOA states that it cannot release specific information because it has not completed the Request for Proposals (RFP) process. However, ADOA estimates that the

(Continued)

February 16, 2000

first year's annualized lease payment to the developer, based on an average of bids received to date, would be approximately \$7,135,300 in FY 2003, while the projected cost for private sector lease space that would no longer be needed would be \$7,396,500. At the conclusion of the specified term between the State and the developer, ownership of the two office buildings would be transferred to the State.

The Committee requested that if the department issued an RFP, it also solicit bids for a pay-as-you-go option. ADOA issued an RFP, including lease-purchase and pay-as-you-go options. The department received 7 proposals and is currently negotiating these proposals. The attached ADOA letter (Attachment 1) summarizes its progress. Because the RFP process has not been completed, ADOA has not yet provided sufficient information for the JLBC Staff to analyze the request. The attached July 29, 1999 JLBC Staff letter to the Committee (Attachment 2) summarizes the staff concerns and questions that need to be answered once the information is available. Specifically, we have requested the following information:

- a list of each agency that will occupy the new space, including square footage and lease payment by fund source for each year of the lease period;
- the lease payment obligation for each year of the lease period;
- a list of each agency that will occupy any state-owned space vacated by the relocated agencies, including square footage and lease payment by fund source for each year of the lease period;
- explanation for any increases in space for an agency;
- any relocation costs by fund source;
- any operation and maintenance costs by fund source for each year of the lease period;
- expected increase in building renewal expenses.

Since the proposal would finance two major office buildings and commit the state to up to 25 years of lease payments, the JLBC Staff recommends that the Committee take no action and that the department seek authorization from the full Legislature. The Senate Appropriations Committee has approved SB 1401, which authorizes the department's plan. If this bill (or similar legislation) is enacted, the department should then proceed with the required JCCR review and approval process.

RS:LS:LM:jb

Jane Dee Hull
Governor



J. Elliott Hibbs
Director

ARIZONA DEPARTMENT OF ADMINISTRATION
GENERAL SERVICES DIVISION • 15 SOUTH 15TH AVENUE, SUITE 101
PHOENIX, ARIZONA 85007
(602) 542-1920



February 4, 2000

The Honorable Bob Burns, Chairman
Joint Committee on Capital Review
Arizona House of Representatives
1700 West Washington
Phoenix, Arizona 85007

Reference: Request for placement on the Joint Committee on Capital Review Agenda,
February 2000

Dear Representative Burns:

The Department of Administration requests placement on the next agenda of the Joint Committee on Capital Review for the following subject:

- Update on Privatized Lease to Own Development on the Capitol Mall

An information packet for this subject will be submitted within the next week.

Sincerely,

A handwritten signature in cursive script, appearing to read "J. Elliott Hibbs".

J. Elliott Hibbs
Director

cc: Senator Randall Gnant
Richard Stavneak, Staff Director, JLBC
Lorenzo Martinez, JLBC ✓
Tom Betlach, Director, JLBC
Kristine Ward, OSPB
Bob Teel, Assistant Director, ADOA
Tim Brand, ADOA
Scott Smith, ADOA

PRIVATIZED LEASE-TO-OWN (PLTO) DEVELOPMENT ON THE CAPITOL MALL

Background

On June 7, 1999, the Arizona Department of Administration (ADOA) submitted to the Joint Committee on Capitol Review (JCCR) a request for placement on the agenda for Privatized Lease-to-Own (PLTO) Development on the Capitol Mall.

The PLTO approach envisions selecting a private development company to build two state office buildings on state land within the Capitol Mall. The developer will plan and design in accordance with the State's requirements and then construct and operate the buildings. The State would lease the two office buildings from the developer for a specified period (20-25 years) in accordance with the terms the State presently uses for private office leases. The State would offset the annual lease payment to the development company by utilizing the aggregate appropriated funds in state agency budgets for private sector lease space. This is the planned revenue stream for this project. At the conclusion of the specified term between the State and the developer, ownership of the two office buildings would be transferred to the State.

This PLTO approach was presented to JCCR for information purposes on August 5, 1999. ADOA indicated its intent to issue a "Request for Proposals" (RFP) from interested developers. At that time, no JCCR action was required; but, JCCR did request that a "pay-as-you-go" option be included in the RFP.

PLTO is intended to build two office buildings on the Capitol Mall. One building of approximately 300,000 square feet will be anchored by the Arizona Department of Environmental Quality (ADEQ) and include smaller state agencies to complete occupancy of the building. The present ADEQ lease expires in March 2002. The second building will be approximately 185,000 square feet and will be anchored by the Department of Administration, including smaller state agencies to complete occupancy of the building.

On November 22, 1999, ADOA issued Request for Proposal No. 01-0068 (Step one of a two step RFP process) for design, construction, finance and property management services for two office buildings totaling approximately 485,000 square feet. The RFP due date was December 9, 1999, and seven separate proposals were received. A selection committee of seven individuals was created to evaluate the proposals. The purpose of the Phase I RFP was to evaluate interest and qualifications of the proposers. All seven proposers were evaluated to be highly motivated and well qualified to accomplish the project.

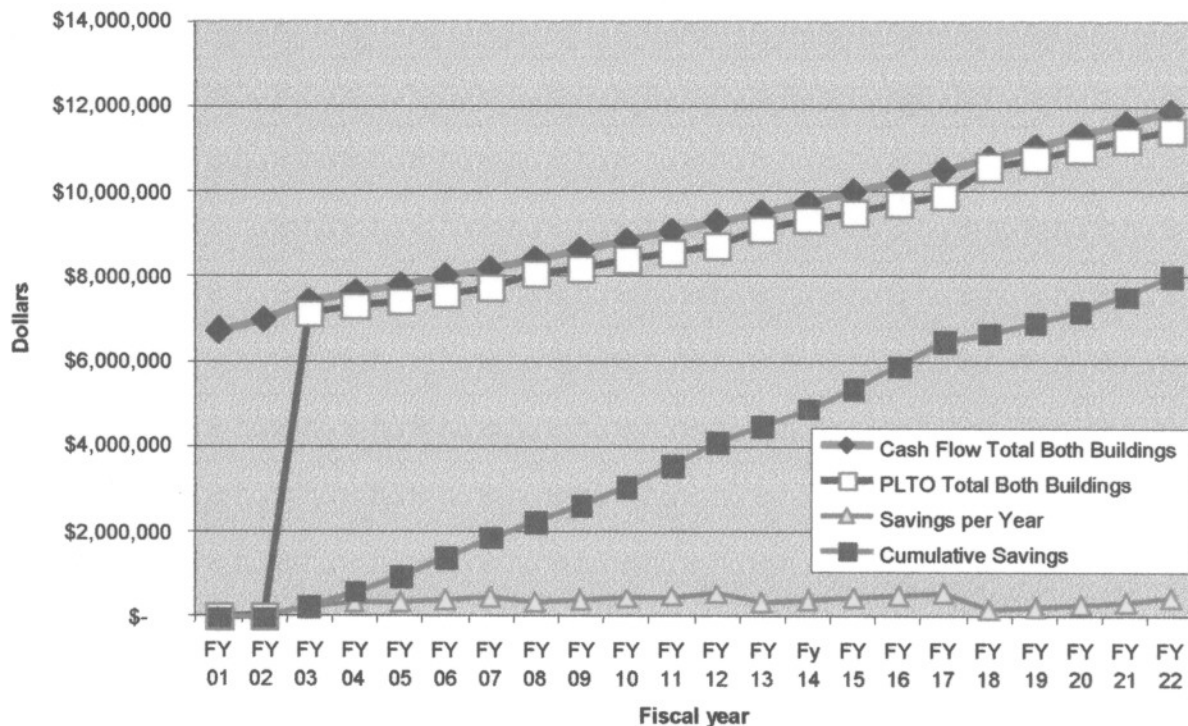
On December 15, 1999, ADOA issued Phase II RFP to the seven proposers. The purpose of the Phase II RFP was to solicit specific information on site plans, building floor-plate design, building elevations, development costs, annual lease costs, the lease term and a

day-one purchase price ("pay-as-you-go" option). On January 6, 2000, the seven proposers submitted their respective proposals.

Because the RFP selection process has not been completed, certain information is still confidential and not available at this time. However, the general results of the proposals indicate that the proposers can plan, design, develop, operate and maintain two state office buildings on the Capitol Mall at or below the present and projected private sector lease rates the State will pay. The FY 2003 projected annualized state private office lease amount associated with this project is a net \$7,396,461. The average FY 2003 PLTO proposers annualized lease expense average is \$7,135,339. The average PLTO annualized lease amounts are \$14,970,703 less than the projected cost of continuing to lease private space throughout the Phoenix Metropolitan area over the next 20 years. Each proposer also gave a day-one purchase price. The average PLTO day-one purchase price was \$73,692,000 (includes 10% contingency) and represents approximately \$152 per square foot for development of the two office buildings. The construction schedule for the two buildings is approximately 24-26 months in duration based upon a July 2000 execution of the lease.

State agency relocation to the proposed two new buildings would occur from July thru December 2002. Relocation planning expenses will occur in FY 2002 and actual relocation expenses will occur in FY 2003. These relocation expenses will be budgeted through the normal biennial budget process for FY 2002 and 2003.

PLTO Can Build Office Buildings on the Capitol Mall at or below the Cost of Continued Leasing



The PLTO approach has been validated as a viable method for providing needed office space on the Capitol Mall for State Government.

The advantages of PLTO are as follows:

1. The PLTO lease with the developer will essentially be the same lease the State uses in the private sector and will contain the "opt-out" clause if the legislature chooses not to provide funds to pay the annual lease.
2. The PLTO approach utilizes existing annual agency lease appropriations as the revenue stream.
3. The State will own the buildings at the end of the lease term.
4. The PLTO buildings are on the Capitol Mall, which benefits the public by having services consolidated at the seat of State Government. This also provides more efficient government operations than having services scattered across the Phoenix Metropolitan area.
5. No funding is required in FY 2001.
6. The PLTO approach offers the lowest short-term cost when compared to outright purchase.
7. The PLTO office buildings will utilize a 75% open space floor plan, versus 25% hard wall office floor plan allowing for efficient utilization of the space.

Considering the demands on state resources and the limitation on available funds, ADOA recommends Privatize Lease-to-Own and seeks a favorable review to negotiate a contract with the selected proposer. ADOA will present to JCCR the negotiated "best and final" costs associated with the project prior to executing a lease agreement with a developer.



STATE OF ARIZONA

Joint Committee on Capital Review

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CHRISTINE WEASON

DATE: July 29, 1999

TO: Senator Randall Gnant, Chairman
Members, Joint Legislative Budget Committee

THRU: Richard Stavneak, Director *RS*

FROM: Lynne Smith, Senior Fiscal Analyst *LSM*

SUBJECT: ADOA — REPORT ON CAPITOL MALL OFFICE BUILDINGS

Request

The Arizona Department of Administration (ADOA) is submitting a report on its plan to have a private developer construct 2 office buildings on state land in the Capitol Mall. The state would lease the buildings and receive ownership of the buildings at the end of the lease period. As a first step in this process, ADOA would issue a Request for Proposals (RFP) to solicit bids.

Recommendation

No Committee action is formally required for ADOA to issue a Request for Proposals (RFP). If an RFP is issued, the JLBC Staff recommends that the department also solicit bids on a pay-as-you-go option. In line with statutory requirements, if bids are received, the JLBC Staff recommends that ADOA return to the Committee to seek formal approval of the project before any agreement is executed.

Analysis

The attached letter describes ADOA's plan to contract for 2 new state office buildings on the Capitol Mall. State-owned space on the Capitol Mall is fully occupied. Consequently, state agencies occupy approximately 700,000 square feet of private-lease space in the Phoenix metropolitan area. Rather than leasing space from a landlord that has already constructed a building, ADOA proposes asking for competitive bids for a private developer to finance, design, and build 2 office buildings on state-owned land. ADOA believes that the private sector's ability to utilize a "design-build" approach will achieve lower costs compared to the state process. If the state were to build these offices, the state procurement code would require the design and the construction of the project to be bid separately. As a result, a contractor bidding for the construction phase of the project could be restricted to a design they may not have participated in creating. The concept behind design-build is that costs are lower as a result of a streamlined bidding process and cooperation between the design and construction teams.

The JLBC Staff believes there are two financing options for the state: 1) the state could pay for the buildings immediately and avoid interest expenses, or 2) the state could lease the buildings from the developer and

(Continued)

assume ownership of the buildings at the end of the lease period. ADOA has been advocating the second option with a 20-year lease period. The design-build approach, however, can produce significant savings for a pay-as-you-go building as well. As a result, the JLBC Staff recommends that any RFP also include solicitations for the pay-as-you-go option.

ADOA proposes 2 office structures: a 300,000 square foot building "anchored" by the Department of Environmental Quality (DEQ) and a 182,000 square foot building anchored by ADOA. The department plans to relocate agencies currently in private space into the new buildings. In addition, the department would also relocate agencies currently in private space into capitol mall space vacated by ADOA. The proposal would use state agencies' existing rent budgets to make the lease payments (including operation and maintenance costs) on the new buildings. ADOA contends that the probable future private lease payments would cover the cost of their new lease-purchase payments. This analysis assumes that future private lease space, especially for the DEQ building, will be significantly higher than the cost of current leases. Since some of these leases were negotiated during a period of office overbuilding, it would not be surprising if the cost of future private leases increased. We cannot, however, predict if the Legislature would appropriate additional monies for these higher private leases or would ask agencies to absorb some or all of the cost. As a result, it is difficult to estimate whether the lease-purchase payments would be higher than future appropriations. As detailed below, the JLBC Staff will also need additional information to analyze the financial aspects of this proposal.

In agreement with Legislative Council, it is the opinion of the JLBC Staff that the same legal requirements of a traditional lease-purchase apply to the ADOA proposal. In essence, JLBC Staff believes that the ADOA lease to own proposal is equivalent to a lease-purchase. If ADOA solicits bids and determines that the project is feasible, the JLBC Staff recommends that the department submit the proposal for JCCR approval as required by A.R.S. § 41-791.02 (B) and (E).

The JLBC Staff also recommends that the proposal include the following information. ADOA has already provided some of this information, but would need to update it if bids are received.

- a list of each agency that will occupy the new space, including square footage and lease payment by fund source for each year of the lease period;
- the lease payment obligation for each year of the lease period;
- a list of each agency that will occupy any state-owned space vacated by the relocated agencies, including square footage and lease payment by fund source for each year of the lease period;
- explanation for any increases in space for an agency;
- any relocation costs by fund source;
- any operation and maintenance costs by fund source for each year of the lease period;
- expected increase in building renewal expenses.

In FY 1998, the Legislature appropriated \$1,100,000 for the design of a new office building on the Capitol Mall. In the FY 1999 budget, the JLBC Staff recommended \$25,150,000 pay-as-you-go to construct the building. The Executive budget recommended lease-purchase financing. The Legislature did not approve either recommendation. The remaining design monies were reverted to the General Fund in FY 1999. In FY 2000, the JLBC Staff did not recommend any monies for a new office building. The Executive budget recommended lease-purchase financing. The Legislature once again rejected the lease-purchase proposal. Essentially, ADOA is bringing forward the same proposal, but has expanded it to 2 buildings.

The Committee will obviously need to weigh this legislative history if ADOA eventually requests approval of a lease-purchase option. While we believe that the Committee needs to approve any lease-purchase or lease to own variant, the Committee does not need to approve the release of the RFP in the short run. The JLBC Staff does not object to issuing an RFP as long as bids are also solicited for a pay-as-you-go option.

RS/LS:jb

STATE OF ARIZONA

Joint Committee on Capital Review

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ANDY NICHOLS
CHRISTINE WEASON

DATE: February 16, 2001

TO: Representative
Members, Joint Committee

THRU: Richard Stavne

FROM: Brian Schmitz,

SUBJECT: DEPARTMENT OF
CONTROL PROGRAM

Request

The Department of Emergency and Military Affairs (DEMA) requests that the Joint Committee provide an update on the status and funding of the Clifton Flood Control Project.

Recommendation

No committee action is required.

Analysis

Laws 1999, Chapter 181 appropriated funds to the Department of Emergency and Military Affairs (DEMA) for a series of legislative appropriations to fund the Clifton Flood Control Project from flooding.

Clifton, located on the San Francisco River, has been flooded for many years. In response to a major flood in 1997, the state funded a flood control system to guard the town of Clifton for the Clifton Flood Control Project. The DEMA submission provides a timeline for the project.

Only a small part of the project (a levee gate) designed to protect the town of Clifton was completed in 1999. In 2000 and 2001, a revenue bond was issued to complete the levee. This is the last component of the project.

Because the state appropriations for the project have been divided into two phases, Phase 1 and Phase 2 is estimated to be finished by 2003.

RS:BS:jb
Attachments



JANE DEE HULL
GOVERNOR

STATE OF ARIZONA
Division of Emergency Management
5636 EAST McDOWELL ROAD
PHOENIX, ARIZONA 85008-3495
(602) 244-0504 1-800-411-2336



MICHAEL P. AUSTIN
DIRECTOR

January 14, 2000

Representative Bob Burns
Chairman, Joint Committee on Capital Review
1716 West Adams
Phoenix, AZ 85007



Re: Clifton Flood Control Project

Dear Representative Burns:

The Arizona Legislature has appropriated \$8.83 million for the Clifton Flood Control Project CFCP from FY 1992 to 2002. These funds will match \$15.5 million from the Army Corps of Engineers. The CFCP will accomplish the following:

- ** Construct a 3000' levee/flood gate to protect south Clifton (completed 1996).**
- ** Install a Flood Warning System (FWS) (completed 1993).**
- ** Relocate families from the north Clifton flood zone (completed 1999).**
- ** Construct a flood-proof revenue generating recreational park to reclaim vacated lands and subsidize maintenance cost of the levee and FWS (2000/2002).**

The segmentation of appropriations have extended the completion of the project from 1998 to 2002. Attached are a project description, project timeline, a fiscal summary report, a fiscal summary report by project phase, and a summary of property acquisitions and family relocations.

Please contact me at 602-231-6245 or Lou Trammell, Project Manager at 602-231-6203 if additional information is required.

Sincerely,

Michael P. Austin
Director

Attachments

cc:

- Senator Randall Gnant**
- Joint Legislative Budget Committee**

CLIFTON FLOOD CONTROL PROJECT (CFCP)

January 11, 2000

HISTORY:

The Town of Clifton, located on the San Francisco River in Greenlee County, has experienced repeated flooding in the past 100 years, including eleven major floods. The State and Federal costs for disaster response and recovery for floods in Clifton since 1970 is approximately \$300,000,000. In 1983 Clifton experienced the most severe flood on record during which the river peaked at 60,000 cubic feet per second with water levels reaching nine feet within the Town. This was considered a 60-year event. In response to this disaster, a committee recommended that the Army Corps of Engineers (ACOE) be commissioned to conduct a study and develop a plan to provide permanent flood protection for the Town. A General Design Memorandum was promulgated in October 1991 wherein the State and the Corps of Engineers committed to the project and approved its scope of work. In 1992 the Legislature designated the Division of Emergency Management as the State's lead agency for the management of the Clifton Flood Control Project.

The original cost of the project submitted to the Legislature in 1993, based on 1989 cost estimations was \$15.2M with the State share being \$5.6M. Project costs increased to \$24M with a State share of \$8.8M. The increase in costs can be attributed to the following:

1. Since 1993, hydrological analysis and mapping of the Clifton flood zone mandated that an additional 64 properties be acquired and 41 residences be relocated.
2. The Clifton community experienced an economic boom in recent years which significantly increased the cost of property acquisition and relocation of residents.
3. The lack of matching federal funds delayed some Project activities increasing administrative costs.
4. State matching appropriations for the Project have been segmented spanning a ten-year period. This has delayed ACOE activities and required additional project phasing.

PROJECT DESCRIPTION:

The Project consists of four principal elements:

"Structural" Phase: The property acquisition and the relocation of residences to secure the construction right-of-way and the construction of a 3000' levee with flood gates to protect South Clifton from flooding waters of the San Francisco River. Construction was completed in October 1996.

"Non-Structural" Phase: The acquisition and relocation of families with the North Clifton 100-year flood plain and the flood-proofing of historical structures. This Phase commenced in 1993 is currently 90% complete. Activities decreased considerably in 1996 due to the lack of matching federal funds. The Army Corps of Engineers allocated the remaining Project funds in January 1998 at which time this phase reconvened the acquisition and relocation activities. Currently all properties have been acquired.

"Recreation, Phase": The flood plain properties in North Clifton will be reclaimed as a revenue generating park to generate funds to maintain the 3000' levee, the flood gate system and the Flood Warning System. Due to segmented state appropriations, construction has been segmented into two construction phases. The first phase represents approximately two-thirds of the total designed recreational area; the second phase will complete the recreational area.

"Recreation, Phase I": Construction will begin in July 2000 and take approximately seven months.

"Recreation, Phase II: State funding for the last phase was appropriated for FY2002; construction will begin in July 2001 and take approximately four months. Reportedly, federal matching funds will be available.

"Non-Project" Phase: This phase consists of project elements which are not federally cost shared, but which are required components of the General Design Memorandum:

Flood Warning System (FWS): In cooperation with the Department of Water Resources, a flood gauging/detection system was installed on watershed tributaries feeding the San Francisco River. This system is operational and is monitored by the Town of Clifton and ADWR providing warning of impending flood conditions and alerts for the closure of the levee's flood gates.

Flood Zone Remapping: This consists of an application to the Federal Emergency Management Agency for rezoning of the Clifton flood plain thereby exempting Clifton residents from National Flood Insurance premiums. The application includes the attachment of relevant hydrological analyses.

Levee & FWS Maintenance: Provides maintenance program for Project components until adequate revenue is generated by the recreational area.

**CLIFTON FLOOD CONTROL PROJECT
PROJECT APPROPRIATIONS & PHASE SCHEDULE
(CALENDAR YEAR)**

1992				1993				1994				1995				1996				1997				1998				1999				2000				2001																							
1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4																								
APPROPRIATIONS (\$8.83M):																																																											
1.33M				4.2M												1.0M				1.0M								.65M												.65M																			

PHASE SCHEDULE:																																							
STRUCTURAL PHASE (\$3.35M)																																							
ACQUISITION/RELOCATION																																							
LEVEE CONSTRUCTION																																							
LEVEE MAINTENANCE																																							
NON-STRUCTURAL PHASE (\$2.93M)																																							
ACQUISITION / RELOCATION																																							
RECREATIONAL PHASE I (\$1.05M)																																							
ACQUISITION / RELOCATION																																							
RECREATIONAL PHASE II (\$0.78M)																																							
ACQUISITION / RELOCATION																																							
NON-PROJECT (\$0.73M)																																							
FWS																																							
FWS MAINTENANCE																																							
FZ REMAP																																							
CONSTR																																							
CONST																																							

**CLIFTON FLOOD CONTROL PROJECT
BUDGET & EXPENDITURE SUMMARY (x \$1000)**

18-Jan-00	PROJECT BUDGET			FEDERAL EXPENDITURES			STATE EXPENDITURES			ACOE REIMB PEND	NET STATE EXP
COST	TOTAL	FED	STATE	CURR	RMNG	TOTAL	CURR	RMNG	TOTAL		
REAL EST (ACQ/REL)	9004.5	5295.1	3709.4	5157.2	137.9	5295.1	4052.9	87.4	4140.3	430.9	3709.4
REAL EST (ACQ/REL)(NCS)	107.2	0.0	107.2	0.0	0.0	0.0	107.2	0.0	107.2	0.0	107.2
RENT/SALES REVENUE	-9.0	-6.7	-2.3	-6.7	0.0	-6.7	-1.6	0.0	-1.6	0.7	-2.3
UTILITY RELOCATIONS	426.2	0.0	426.2	0.0	0.0	0.0	426.2	0.0	426.2	0.0	426.2
STATE ADMIN	517.4	339.4	178.0	307.5	31.9	339.4	199.0	4.2	203.2	25.2	178.0
STATE LABOR	1142.2	747.3	394.9	477.3	270.0	747.3	622.5	42.4	664.9	270.0	394.9
ACOE ADMIN/LABOR	553.0	428.3	124.7	417.7	10.6	428.3	114.1	10.6	124.7	0.0	124.7
LERRD (RR/HWY)	42.7	0.0	42.7	0.0	0.0	0.0	42.7	0.0	42.7	0.0	42.7
LERRD (RR/HWY) ACOE	497.6	0.0	497.6	0.0	0.0	0.0	497.6	0.0	497.6	0.0	497.6
LEVEE & FLD WLS	3353.0	3353.0	0.0	3353.0	0.0	3353.0	0.0	0.0	0.0	0.0	0.0
RECREATION CONSTRUCTION	2335.6	1167.8	1167.8	700.0	467.8	1167.8	700.0	467.8	1167.8	0.0	1167.8
DEMOLITION	703.1	527.3	175.8	516.0	11.3	527.3	181.9	3.7	185.6	9.8	175.8
FLOOD PROOFING	320.3	240.2	80.1	240.2	0.0	240.2	95.3	0.0	95.3	15.2	80.1
PED	3997.0	3250.5	746.5	3064.2	186.3	3250.5	494.7	251.8	746.5	0.0	746.5
PED (Rec Area Phasing)	20.0	0.0	20.0	0.0	0.0	0.0	20.0	0.0	20.0	0.0	20.0
ACOE CONSTRUC MGMT	332.2	278.6	53.6	225.0	53.6	278.6	0.0	53.6	53.6	0.0	53.6
CONSTRUCTION CONTINGENCY	32.0	16.0	16.0	0.0	16.0	16.0	0.0	16.0	16.0	0.0	16.0
CASH CONTRIBUTION	0.0	-399.5	399.5	-399.5	0.0	-399.5	386.0	13.5	399.5	0.0	399.5
PROJECT HOUSING	7.3	0.0	7.3	0.0	0.0	0.0	7.3	0.0	7.3	0.0	7.3
EARLY FLOOD WARNING SYS	202.1	0.0	202.1	0.0	0.0	0.0	142.4	59.7	202.1	0.0	202.1
FLOOD ZONE REMAPPING	34.6	0.0	34.6	0.0	0.0	0.0	34.6	0.0	34.6	0.0	34.6
LEVEE MAINTENANCE	80.0	0.0	80.0	0.0	0.0	0.0	0.0	80.0	80.0	0.0	80.0
REC AREA MARKETING	30.0	0.0	30.0	0.0	0.0	0.0	0.0	30.0	30.0	0.0	30.0
PROJECT CONTINGENCY	341.7	0.0	341.7	0.0	0.0	0.0	0.0	341.7	341.7	0.0	341.7
Total	24070.7	15237.3	8833.4	14051.9	1185.4	15237.3	8122.8	1462.4	9585.2	751.8	8833.4

**CLIFTON FLOOD CONTROL PROJECT
BUDGET & EXPENDITURE SUMMARY (x \$1000)**

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18-Jan-00

18-Jan-00	Current			TOTAL FEDERAL & STATE EXPENDITURES			STATE FUND EXPENDITURES			ACOE REIMB	NET
COST/PHASE	TOTAL	FED	STATE	CURR	RMNG	TOTAL	CURR	RMNG	TOTAL	PEND	STATE EXP
STRUCTURAL:											
REAL EST (ACQ/REL)	1861.3	0.0	1861.3	1861.3	0.0	1861.3	1861.3	0.0	1861.3	0.0	1861.3
UTILITY RELOCATIONS	426.2	0.0	426.2	426.2	0.0	426.2	426.2	0.0	426.2	0.0	426.2
STATE ADMIN	37.0	0.0	37.0	37.0	0.0	37.0	37.0	0.0	37.0	0.0	37.0
STATE LABOR	83.9	0.0	83.9	83.9	0.0	83.9	83.9	0.0	83.9	0.0	83.9
ACOE ADMIN/LABOR	93.5	93.5	0.0	93.5	0.0	93.5	0.0	0.0	0.0	0.0	0.0
LERRD (RR/HWY)	42.7	0.0	42.7	42.7	0.0	42.7	42.7	0.0	42.7	0.0	42.7
LERRD (RR/HWY) ACOE	497.6	0.0	497.6	497.6	0.0	497.6	497.6	0.0	497.6	0.0	497.6
LEVEE & FLD WLS	3353.0	3353.0	0.0	3353.0	0.0	3353.0	0.0	0.0	0.0	0.0	0.0
PED	1704.0	1704.0	0.0	1704.0	0.0	1704.0	0.0	0.0	0.0	0.0	0.0
CONSTRUC MGMT	225.0	225.0	0.0	225.0	0.0	225.0	0.0	0.0	0.0	0.0	0.0
CASH CONTRIBUTION	0.0	-399.5	399.5	0.0	0.0	0.0	386.0	13.5	399.5	0.0	399.5
Subtotal	8324.2	4976.0	3348.2	8324.2	0.0	8324.2	3334.7	13.5	3348.2	0.0	3348.2
NON-STRUCTURAL											
REAL EST (ACQ/REL)	6894.0	5170.5	1723.5	6730.8	163.2	6894.0	1942.4	87.4	2029.8	306.3	1723.5
REAL EST (ACQ/REL)(NCS)	107.2	0.0	107.2	73.3	33.9	107.2	107.2	0.0	107.2	0.0	107.2
RENT/SALES REVENUE	-9.0	-6.7	-2.3	-9.0	0.0	-9.0	-1.6	0.0	-1.6	0.7	-2.3
STATE ADMIN	418.9	314.2	104.7	390.4	28.5	418.9	104.7	0.0	104.7	0.0	104.7
STATE LABOR	922.8	692.1	230.7	885.9	36.9	922.8	408.6	36.9	445.5	214.8	230.7
ACOE ADMIN/LABOR	420.0	315.0	105.0	420.0	0.0	420.0	105	0.0	105.0	0.0	105.0
DEMOLITION/ASBESTOS	703.1	527.3	175.8	688.1	15.0	703.1	181.9	3.7	185.6	9.8	175.8
CULTURAL RESRCS	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
FLOOD PROOFING	320.3	240.2	80.1	320.3	0.0	320.3	95.3	0.0	95.3	15.2	80.1
PED	1600.0	1200.0	400.0	1600.0	0.0	1600.0	400.0	0.0	400.0	0.0	400.0
CONSTRUC MGMT	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
CONTINGENCY	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Subtotal	11377.3	8452.6	2924.7	11099.8	277.5	11377.3	3343.5	128.0	3471.5	546.8	2924.7
RECREATIONAL (PHASE I)											
REAL EST (ACQ/REL)	160.8	80.4	80.4	160.8	0.0	160.8	160.8	0.0	160.8	80.4	80.4
STATE ADMIN	41.5	20.8	20.8	38.7	2.8	41.5	38.7	2.8	41.5	20.8	20.7
STATE LABOR	91.5	45.8	45.8	87.8	3.7	91.5	87.8	3.7	91.5	45.7	45.8
ACOE ADMIN/LABOR	18.3	9.2	9.2	18.3	0.0	18.3	9.2	0.0	9.2	0.0	9.2
CONSTRUCTION	1400.0	700.0	700.0	1400.0	0.0	1400.0	700.0	0.0	700.0	0.0	700.0
PED	320.4	160.2	160.2	320.4	0.0	320.4	94.7	65.5	160.2	0.0	160.2
CONSTRUC MGMT	49.6	24.8	24.8	49.6	0.0	49.6	0.0	24.8	24.8	0.0	24.8
CONSTR CONTINGENCY	14.8	7.4	7.4	14.8	0.0	14.8	0.0	7.4	7.4	0.0	7.4
Subtotal	2096.9	1048.5	1048.5	2090.4	6.5	2096.9	1091.2	104.2	1195.4	146.9	1048.5
PROJECT SUBTOTAL											
	21798.4	14477.1	7321.3	21514.4	284.0	21798.4	7769.4	245.7	8015.1	693.7	7321.4
RECREATIONAL (PHASE II)											
REAL EST (ACQ/REL)	88.4	44.2	44.2	88.4	0.0	88.4	88.4	0.0	88.4	44.2	44.2
STATE ADMIN	8.7	4.4	4.4	8.1	0.6	8.7	8.1	0.6	8.7	4.4	4.4
STATE LABOR	19.1	9.6	9.6	18.3	0.8	19.1	18.3	0.8	19.1	9.6	9.6
ACOE ADMIN/LABOR	21.2	10.6	10.6	0.0	21.2	21.2	0.0	10.6	10.6	0.0	10.6
CONSTRUCTION	935.6	467.8	467.8	0.0	935.6	935.6	0.0	467.8	467.8	0.0	467.8
PED	372.6	186.3	186.3	0.0	372.6	372.6	0.0	186.3	186.3	0.0	186.3
PED (Phasing)	20.0	0.0	20.0	20.0	0.0	20.0	20.0	0.0	20.0	0.0	20.0
CONSTRUC MGMT	57.6	28.8	28.8	0.0	57.5	57.5	0.0	28.8	28.8	0.0	28.8
CONSTR CONTINGENCY	17.2	8.6	8.6	0.0	17.2	17.2	0.0	8.6	8.6	0.0	8.6
Subtotal	1540.4	760.2	780.2	134.8	1405.5	1540.3	134.8	703.5	838.3	58.1	780.2
PROJECT TOTAL											
	23338.8	15237.3	8101.5	21649.2	1689.5	23338.7	7904.2	949.2	8853.4	751.8	8101.6
NON-PROJECT											
STATE ADMIN	11.3	0.0	11.3	10.5	0.8	11.3	10.5	0.8	11.3	0.0	11.3
STATE LABOR	24.9	0.0	24.9	23.9	1.0	24.9	23.9	1.0	24.9	0.0	24.9
HOUSING	7.3	0.0	7.3	7.3	0.0	7.3	7.3	0.0	7.3	0.0	7.3
STRUCTURAL	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EARLY FLD WRNG SYS	202.1	0.0	202.1	142.4	59.7	202.1	142.4	59.7	202.1	0.0	202.1
LOMR (FZ REMAP)	34.6	0.0	34.6	34.6	0.0	34.6	34.6	0.0	34.6	0.0	34.6
LEVEE MAINTENANCE	80.0	0.0	80.0	0.0	80.0	80.0	0.0	80.0	80.0	0.0	80.0
FACILITY MARKETING	30.0	0.0	30.0	0.0	30.0	30.0	0.0	30.0	30.0	0.0	30.0
PROJECT CONTINGENCY	341.7	0.0	341.7	0.0	341.7	341.7	0.0	341.7	341.7	0.0	341.7
Subtotal	731.9	0.0	731.9	218.7	513.2	731.9	218.7	513.2	731.9	0.0	731.9
GRAND TOTAL											
	24070.7	15237.3	8833.4	21867.9	2202.7	24070.6	8122.9	1462.4	9585.3	751.8	8833.5
STATE APPROPRIATIONS							8181.3	650.0	8831.3		
PROJECT REVENUE							2.2	0.0	2.2		
ACOE REIMBURSEMENT (Outstanding)							0.0	751.8	751.8		
TOTAL REVENUE							8183.5	1401.8	9585.3		
CASH BALANCE							60.6	-60.6	0.0		

**CLIFTON FLOOD CONTROL PROJECT
ACQUISITION / RELOCATION STATISTICAL SUMMARY**

Element	PROPERTIES ACQUIRED			FAMILIES RELOCATED		
	Parcels Purchased	Parcels Donated	Total	Pre-Project Relocation	Project Relocation	Total
STRUCTURAL AREA	33	4	37	2	17	19
NON-STRUCTURAL AREA	140	0	140	28	81	109
RECREATIONAL AREA (Phase I)	17	1	18	0	0	0
RECREATIONAL AREA (Phase II)	1	0	1	0	0	0
TOTAL	191	5	196	30	98	128

CLIFTON FLOOD CONTROL PROJECT
CONSTRUCTION MILESTONES
RECREATIONAL PARK (Phase I & II)

<u>Date</u>	<u>Activity</u>
PHASE I:	
February 29, 2000	Complete engineering and design
March - May, 2000	Solicitation for Bid and Contract negotiations
June 1, 2000	Award construction contract
July, 2000	Begin construction
February, 2001	Complete construction
PHASE II:	
July, 2001	Begin construction
December, 2001	Complete construction