

STATE OF ARIZONA

Joint Committee on Capital Review

STATE
SENATE

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

1716 WEST ADAMS
PHOENIX, ARIZONA 85007

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HOUSE OF
REPRESENTATIVES

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

MEETING NOTICE

DATE: Wednesday, March 22, 2000
TIME: 8:00 a.m.
PLACE: HOUSE HEARING ROOM 4

TENTATIVE AGENDA

- Call to Order
- [Approval of Minutes of February 21, 2000.](#)
- EXECUTIVE SESSION - Acquisition of Real Property*
- DIRECTOR'S REPORT (if necessary).
- 1. [ARIZONA DEPARTMENT OF ADMINISTRATION - Review Scope, Purpose, and Estimated Cost of Additional ASPC-Perryville Safety Improvements.](#)
- 2. [ARIZONA STATE UNIVERSITY - Approval of Arizona State University Residence Hall Bond Projects.](#)
- 3. [ARIZONA EXPOSITION AND STATE FAIR BOARD - Report on FY 2000 Building Renewal Allocation Plan.](#)
- 4. [ARIZONA STATE PARKS - Kartchner Caverns State Park Quarterly Status Report.](#)

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

The Chairman reserves the right to set the order of the agenda.
3/20/00

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**

February 21, 2000

The Chairman called the meeting to order at 8:10 a.m. Monday, February 21, 2000, in House Hearing Room 4 and attendance was noted.

Members:	Representative Burns, Vice-Chairman Representative Cooley Representative Johnson Representative McLendon Representative Nichols Representative Weason	Senator Gnant, Vice-Chairman Senator Arzberger Senator Bowers Senator Brown Senator Smith Senator Wettaw
Absent:	Representative Daniels	Senator Solomon
Staff:	Richard Stavneak Jennifer Vermeer Lorenzo Martinez Lynne Smith	Jan Belisle, Secretary Paul Shannon Brad Regens Brian Schmitz
Others:	Bruce Ringwald, ADOA Tim Brand, ADOA Bob Teel, ADOA Tom Betlach, OSPB Bill Greeney, OSPB Lou Trammell, DEMA	Leslie Schwalbe, DHS Roger Berna, ADOA Elliott Hibbs, ADOA Alex Turner, ADOA Terry Stewart, DOC Jack Silver, ASH

APPROVAL OF MINUTES

Representative Burns asked for corrections or additions to the minutes of December 14, 1999. Hearing none, the minutes were approved as presented.

EXECUTIVE SESSION

Senator Gnant moved that the Committee go into Executive Session. The motion carried.

At 8:12 a.m. the Joint Committee on Capital Review went into Executive Session.

Representative Cooley moved that the Committee reconvene into open session. The motion carried.

At 9:05 a.m. the Committee reconvened into open session.

Representative Cooley moved that the Committee adopt the JLBC Staff recommendation and not approve the ADOA's request with the following addition: "The Department of Administration in conjunction with the Department of Corrections and the State Land Department shall submit a written report to the Committee by March 15th on potential solutions to avoid similar land acquisition problems in the future." The motion carried

ARIZONA DEPARTMENT OF ADMINISTRATION**A. Review Scope, Purpose and Estimated Cost of Preliminary Sitework for the New Arizona State Hospital Facility.**

In response to Representative Weason's question, Jennifer Vermeer, JLBC Staff indicated the consultant portion of the funding is for planning of the project as a whole and it is an \$80,000,000 project.

Representative Johnson asked about the asbestos and if there is still a problem. Ms. Vermeer referred the question to the Arizona Department of Administration.

Senator Bowers asked for a thorough review of the asbestos issue. A lot of money was spent to remove asbestos from the building on 44th St. and McDowell. Do they think it is friable, is it still dangerous, etc..

Bruce Ringwald, General Manager/Construction Services, ADOA said that the RFP includes doing extensive asbestos abatement, demolition of buildings and utility tunnels, etc.. They would like to prepare a preliminary report on the property and move forward with a design-build approach for which they have legislative authority to do as a pilot project. A consultant will help prepare that design.

In answer to Representative Weason, Mr. Ringwald said the architect and engineering fees on the overall project will probably approach 10-12% of the \$80 million. This is a typical price for this type of construction project.

Representative Cooley moved the Committee give a favorable review to the scope, purpose, and estimated cost of preliminary sitework for the new Arizona State Hospital Facility and 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.

B. ADOA Proposal for Capitol Mall Office

Lynne Smith, JLBC Staff gave a brief overview of the ADOA proposal lease-purchase of office buildings on the Capitol Mall. The JLBC Staff recommends that the Committee take no action and that ADOA seek authorization from the full Legislature for the proposal.

No Committee action required.

DEPARTMENT OF EMERGENCY AND MILITARY AFFAIRS - Report on Clifton Flood Control Project.

Brian Schmitz, JLBC Staff briefed the Committee on the Clifton Flood Control Project. The state appropriations for the last component were made for FY 2000 and FY 2002, therefore, construction of the recreational park has been divided into 2 phases. The Department of Emergency and Military Affairs estimates that Phase I will be completed in February 2001, and Phase 2 is estimated to be finished by December 2001.

No Committee action required.

The Chairman adjourned the meeting at 9:15 a.m.

Jan Belisle, Secretary

Lorenzo Martinez, Senior Fiscal Analyst

Representative Robert "Bob" Burns, Chairman

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Joint Committee on Capital Review

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DATE: March 20, 2000

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

THRU: Richard Stavneak, Director

FROM: Brad Regens, Senior Fiscal Analyst

SUBJECT: REVIEW OF THE SCOPE, PURPOSE, AND ESTIMATED COST OF ADDITIONAL
ASPC-PERRYVILLE SAFETY IMPROVEMENTS

Request

The Arizona Department of Administration (ADOA) requests the Committee give a favorable review of the scope, purpose, and estimated cost of safety improvements at the Arizona State Prison Complex at Perryville (ASPC-Perryville).

Recommendation

The JLBC Staff recommends the Committee give a favorable review of the request.

Analysis

Laws 1998, Chapter 1, 4th Special Session "reappropriated" a total of \$2,207,600 from the Department of Corrections FY 1998 General Fund operating budget to ADOA for capital security improvements including lock replacement at ASPC-Tucson. Laws 1997, Chapter 212 appropriated \$4,479,400 for similar security improvements at ASPC-Perryville.

Both the ASPC-Tucson and ASPC-Perryville security improvement projects have been completed and approximately \$639,500 remains unexpended from the two appropriations. ADOA requests the Committee give a favorable review to the department's plan to use the remaining monies for additional security improvement at ASPC-Perryville. ADOA plans to replace 210 doors, locks, hinges and control panels that have deteriorated since construction of the complex and represent a potential security risk.

When the Committee reviewed the two original projects, the JLBC Staff recommended that prior to ADOA expending monies on items beyond the scope of the two original projects, the department present its plans to the Committee for review. The JLBC Staff recommends the Committee give a favorable review of ADOA's request.

RS:BR: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

March 15, 2000

The Honorable Robert Burns, Chairman
Joint Committee on Capital Review
Arizona State Senate
1700 West Washington
Phoenix, Arizona 85007



RE: Request for placement on Joint Committee on Capital Review Agenda – April 2000

Dear Representative Burns:

The Department of Administration requests placement on the April 2000 agenda of the Joint Committee on Capital Review to review the following:

1. Expenditure plan for reallocation of remaining funds from Laws 1998, Chapter 1, 4th Special Session and Laws 1997, Chapter 212.

The information for this project is attached.

Sincerely,

A handwritten signature in dark ink, appearing to read "Bruce Ringwald".

Bruce Ringwald, General Manager
ADOA Construction Services

Attachments

- c: Senator Randall Gnant, Arizona Senate
Tom Betlach, Director, OSPB
Richard Stavneak, Staff Director, JLBC
Lorenzo Martinez, Senior Fiscal Analyst, JLBC
J. Elliott Hibbs, Director, ADOA
Robert C. Teel, Assistant Director, ADOA
Chuck Ryan, Deputy Director, ADOC
Mike Smarik, Assistant Director, ADOC
Tony Zelenak, Project Manager, ADOC Facilities Activation Bureau
Darla Elliott, Warden, ASPC Perryville
John Kohl, Administrator, ADOC Facilities Activation Bureau

ASPC Perryville San Pedro Unit Doors & Locks

BACKGROUND

Laws 1998, Chapter 1, 4th Special Session appropriated \$2,207,600.00 and Laws 1997, Chapter 212 appropriated \$4,479,400.00 totaling \$6,687,000.00.

Currently the door locks in the Perryville San Pedro Unit operate under a fail-safe mechanism that automatically opens the cell doors if electrical power is lost or interrupted. Many of the doors are deteriorated and the hardware is not security hardware. The panels that control the doors have also deteriorated and are difficult to observe the status of the doors.

STATUS

The ASPC Tucson Santa Rita Unit Door and lock replacement is complete, and the ASPC Perryville Door and Lock replacement is complete.

From these two appropriations there remains \$600,000.00 unencumbered. Budgets and back round information from these two appropriations attached.

Request

- Replacement of 210 doors, locks, hinges and control panels, and modifications for 6 ADA compliant frames, doors, locks, and hinges.

Estimated Construction Costs with A/E.
Contingency

\$604,495.00
\$ 35,000.00

Total Funds Requested for Reallocation and Release

\$639,495.00

--- DRAFT ---

ARIZONA DEPARTMENT of ADMINISTRATION		CONSTRUCTION SERVICES	
PROJECT: ASPC Perryville Cell Door and Control Upgrades San Pedro Unit			
PROJECT NUMBER:		5628	DATE PREPARED: March 10, 2000
PROJECT MANAGER:		John Sempert	REVISED : March 10, 2000
SENIOR PROJECT MANAGER:		Bruce Ringwald	
DESCRIPTION		AMOUNT	
<u>FUNDS Remaining</u>			
ASPC Tucson Santa Rita Unit		\$575,320	
ASPC Perryville Doors & Frames		\$64,175	
TOTAL FUNDING		\$639,495	
PROJECT COST:		ESTIMATE Rev. Mar. 10, 2000	PROJECTED COST AT COMPLETION
<u>Land Acquisition Costs:</u>			
1		N/A	N/A
2		N/A	N/A
Subtotal		\$0	\$0
<u>Professional Services:</u>			
1 A/E Fees		\$30,000	\$30,000
2 Reimbursables EST.			\$0
3 DCN # 1			\$0
Subtotal		\$30,000	\$30,000
<u>Construction Services (GC)</u>			
1 Base Contract		\$570,900	\$570,900
			\$0
			\$0
			\$0
			\$0
			\$0
			\$0
Subtotal		\$570,900	\$570,900
<u>Separate Contracts</u>			
Subtotal		\$0	\$0
<u>Project Support</u>			
1 ADOA Salaries		N/A	N/A
2 ADOA Expenses		N/A	N/A
3 Risk Management		\$3,587	\$3,587
Subtotal		\$3,587	\$3,587
<u>Contingency Allowance</u>		\$35,008	\$35,008
TOTAL PROJECT COST		\$639,495	\$639,495

Funds Remaining

\$0

NOTES:

--- DRAFT ---

ARIZONA DEPARTMENT of ADMINISTRATION
CONSTRUCTION SERVICES

PROJECT: Santa Rita Security Improvements
PROJECT NUMBER: 5732
PROJECT MANAGER: John Sempert
Bruce Ringwald

DATE PREPARED: November 13, 1998
REVISED:REVISED: 3/8/00

DESCRIPTION	AMOUNT	
FUND SOURCES (Index) HB2006 54350	2,207,600.00	
TOTAL FUNDING	\$2,207,600	
PROJECT COST:	ESTIMATE	PROJECTED COST AT COMPLETION
Professional Services:		
1 A/E Fees (DMJM) In Perryville budget	50,000	0
2 DMJM Reimb. In Perryville Budget	3,000	0
Subtotal	\$53,000	\$0
Construction Services (GC)		
1 Base Bid	1,262,400	1,465,130
2 CO 1		
3 CO 2		
4 CO 3		
5 CO 4		
Subtotal	\$1,262,400	\$1,465,130
Separate Contracts		
1. Transfer to DOC for Cameras	84,200	100,000
2. Transfer to DOC for Cameras	60,000	31,000
3. Emergency Ladders		24,000
Subtotal	\$144,200	\$155,000
Project Support		
1 ADOA EXPENSES	\$15,000	0
2 ADOA SALARIES		
3 Risk Management		8,906
4		
Subtotal	15,000	8,906
Contingency	548,393	3,244
TOTAL PROJECT COST	2,022,993	1,632,280
Funds Remaining		575,320

NOTES: 1. A/E PAID OUT OF PERRYVILLE FUNDS

2. MTV complete contract paid in full, one warranty ended 1/15/00

ARIZONA DEPARTMENT of ADMINISTRATION		CONSTRUCTION SERVICES	
PROJECT: ASPC Perryville Cell Door and Control Upgrades			
PROJECT NUMBER: 5628		DATE PREPARED: December 16, 1997	
PROJECT MANAGER: John Sempert		REVISED: October 5, 1999	
SENIOR PROJECT MANAGER: N/A			
DESCRIPTION		AMOUNT	
FUND SOURCES:(Index)			
Index No.	50690	\$2,673,200	
Index No.	50790	\$1,806,200	
TOTAL FUNDING		\$4,479,400	
PROJECT COST:		ESTIMATE Rev. Feb. 10, 1998	PROJECTED COST AT COMPLETION
Land Acquisition Costs:			
1	N/A		N/A
2	N/A		N/A
Subtotal		\$0	\$0
Professional Services:			
1 A/E Fees		\$200,000	\$200,000
2 Reimbursables EST.		\$10,000	\$12,000
3 DCN # 1			(\$50,000)
Subtotal		\$210,000	\$162,000
Construction Services (GC)			
1 Base Contract		\$2,829,752	\$2,829,752
2 CO No. 1 - Add Food Pass		\$15,866	\$15,866
3 CO No. 2 - Add Astragals		\$39,597	\$39,597
4 CO No. 3 - Attic Stock		\$10,623	\$10,623
5 CO No. 4 - Misc. Elec.		\$5,427	\$5,427
6 CO No. 5 - Gate Locks.		\$77,113	\$77,113
7 CO No. 6 - Programing		\$76,226	\$76,226
8 CO No. 7 - Programing		\$26,152	\$26,152
Subtotal		\$3,080,756	\$3,080,756
Separate Contracts			
1 Electrical Feeder Replacement		\$1,000,000	\$789,544
2 ADC Contracted Work		\$288,000	\$288,000
3 ADC Contracted Work unused			(\$27,823)
4 LSW SES Design			\$13,100
5 LSW SES Reimbursables			\$1,500
6 SES Construction			\$125,820
Subtotal		\$1,288,000	\$1,190,141
Project Support			
1 ADOA Salaries	N/A		N/A
2 ADOA Expenses	N/A		N/A
Subtotal		\$0	\$0
Contingency Allowance		(\$99,356)	\$21,823
TOTAL PROJECT COST		\$4,479,400	\$4,454,720

Funds Remaining

\$24,680

NOTES:

- 1 \$'700,000 is recommended for budget transfer to Project 5629 for electrical feeder replacement
- 2 ADC Director denied sound system change.
- 3 Est cost of SES is \$150,000
- 4 Need backup and transfer of ADC contract work which was unused.
- 5 DMJM Contract still open
- 6 LSW contract for SES still Open
- 7 Corbin Service Electric installing SES this summer when it arrives from the factory.

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DATE: March 20, 2000

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

THRU: Richard Stavneak, Director

FROM: Lorenzo Martinez, Senior Fiscal Analyst

SUBJECT: APPROVAL OF ARIZONA STATE UNIVERSITY RESIDENCE HALL BOND
PROJECTS

Request

Pursuant to Laws 1996, Chapter 334, Arizona State University (ASU) requests approval to issue a total of \$15,000,000 in auxiliary revenue bonds for construction of additional residential housing on the Main Campus. An additional \$1,200,000 from Residential Life reserves will also be used.

Recommendation

The JLBC Staff recommends the Committee approve 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 1996, Chapter 334 authorized the Arizona Board of Regents (ABOR) to issue up to \$245,400,000 in revenue bonds for the universities under its jurisdiction. Of this amount, \$100,000,000 was allocated to ASU. Chapter 334 requires JCCR to approve each bonding project before bonds may be issued. The JCCR shall also invite comment from the Governor or a designated representative for each project.

ASU is requesting approval to issue \$8,000,000 in bonds to construct a new 252-bed residential facility at North Campus (see map on page 11 of agency submission). ASU is also requesting approval to issue an additional \$7,000,000 in bonds to construct residential additions at Center Campus (see map on page 8 of agency submission). These additions, which will provide another 250 beds, will require an additional \$1,200,000 from Residential Life reserves. These 2 projects were part of the multi-year bonding plan favorably reviewed by the Committee on May 15, 1997.

(Continued)

The following summarizes the estimated costs for each project (the attached material contains more detail on these components):

<u>Item</u>	<u>North Campus New Residential Facility</u>	<u>Central Campus Residential Additions</u>
Construction	\$6,227,229	\$6,247,537
Fees	726,933	725,933
Furniture, Fixtures, Equipment (including Telecommunications)	428,874	460,000
Additional University Costs	478,000	191,317
Contingencies	<u>138,964</u>	<u>575,213</u>
TOTAL	\$8,000,000	\$8,200,000

The North Campus facility will add 68,598 gross square feet. This equates to a cost of \$117 per square foot. The Central Campus additions will add 65,409 gross square feet. This equates to a cost of \$125 per square foot. Per the guidelines and costs reported by the 1999 RS Means Facilities Construction Cost Data publication, the costs are reasonable for these projects.

The projects would be financed with auxiliary revenue bonds, meaning that the associated debt service would be paid with revenues generated from the operation of ASU residence halls. Based on a 25-year term and 6% interest rate, the annual debt service on the \$15,000,000 bond issuance would be approximately \$1,173,000. An additional \$1,200,000 from Residential Life reserves would also be used to finance the Central Campus additions. The reserves represent a portion of the ending balance from the operations of the residential halls. The operation and maintenance of residence halls is a self-supporting activity and does not require General Fund monies. In FY 1999, the ending balance was \$2,462,076.

The 502 additional beds will be dedicated to new freshmen students. ASU currently has 13 residence halls with a total of 4,938 beds. The university had to stop accepting housing applications in mid-May 1999 for the 1999 fall semester and stopped accepting housing applications in mid-June 1998 for the 1998 fall semester. In fall 1997, the university was unable to accommodate 470 housing applicants. ASU plans to have the new facilities ready for occupancy by the 2001 fall semester.

Given the need for additional on-campus housing, the JLBC Staff recommends approval of the bond issuance for the projects.

RS:LM:jb



ARIZONA BOARD OF REGENTS

2020 NORTH CENTRAL, SUITE 230
PHOENIX, ARIZONA 85004-4593
(602) 229-2500
FAX (602) 229-2555

February 22, 2000

The Honorable Bob Burns
Chair
Joint Committee on Capital Review
1700 West Washington
Phoenix, AZ 85007



Dear Representative Burns:

The Arizona Board of Regents (ABOR) requests to be on the next Joint Committee on Capital Review (JCCR) agenda for bond issuance approval for two Arizona State University projects: Center Campus Residence Hall Addition and North Campus Residence Hall. Total project costs are \$8.2 and \$8.0 million, respectively, with \$15.0 million to be funded by an auxiliary bond issue and the remaining \$1.2 million from Residence Life Funds. Since the \$15.0 million bond issue is for residence hall projects, the bonds financing will be auxiliary bonds where the debt service will be funded from Residence Life revenues.

The \$15.0 million of revenue bonds for on-campus student housing development was in the March, 1997 multi-year bonding plan reviewed by the JCCR in May, 1997. ASU desires to request approval from the ABOR at its April 6-7, 2000 meeting for issuance of the bonds and needs JCCR approval prior to this April ABOR meeting. This timetable will allow both of these projects to remain on schedule, with construction starting in May, 2000 and ready for occupancy beginning with the Fall, 2001 semester.

Enclosed is a description and justification of the project, along with other related material. If you have any questions or desire any clarifications on the enclosed material, please contact me at (602) 229-2505. We appreciate your consideration of this request.

Sincerely,

Linda J. Blessing
Linda J. Blessing
Executive Director

Enclosure

ARIZONA STATE UNIVERSITY

**Submission to Joint
Committee on Capital Review
For Bond Sale Approval**

On-Campus Student Housing Development

February 2000

ARIZONA STATE UNIVERSITY MAIN PROJECT JUSTIFICATION

Project Name: ON-CAMPUS STUDENT HOUSING DEVELOPMENT

Year: 2000

Project Justification

Nature and Purpose of the Project

Construct a new residential facility housing 252 students at North Campus. The new building will be located between Manzanita Hall and Palo Verde East Hall. New residential building additions will also be constructed at Center Campus for a 250-bed increase. The additions will be located at the north side of Hayden Hall and at the east end of Best Hall "C". In July, 1999, the University Honors College relocated to the Center Campus Complex.

The new residential facilities will be for freshman and provide suites with shared bathrooms, living space, and common meeting/community space on each floor with kitchenettes. The Freshmen Year Experience (FYE) services will also include computer labs, classrooms, faculty/advising offices, tutoring and study areas.

The total gain will be 502 beds for Residential Life to address new and continuing student demand for on-campus living.

Primary Goals and Objectives

Arizona State University is committed to improving the educational experience of its students, improving retention, and supporting student success. The Residential Life FYE and Campus Communities programs are residentially based academic programs to support these goals. The new space and renovated space supports ASU's commitment to the academic goals of students by focusing on quality living environments which provide for learning experiences within the halls.

Projected Growth

The 502 beds dedicated to new freshman students will partially address enrollment growth and the commitment to provide on campus living and learning environments for students who can best benefit from such experiences. It is most important that this project be completed by summer of 2001 and ready for fall semester 2001 occupancy. To achieve this objective, construction must begin in May 2000.

Page Two

Funding

Estimated Total Project Cost \$16,200,000

Bonding \$15,000,000

Funding Source Revenue Bond Proceeds and Residential Life local funds (\$1,200,000). Debt service will be paid from Residential Life revenues.

General Fund Impact Not Applicable

Alternatives to Project

There are no alternatives to the construction of new space. Current Residential Life facilities are overcrowded, outdated and inadequate to serve more students. There is no other available or suitable space on campus. For these projects to move forward, an expansion of the university's infrastructure is required with a portion of this cost to be included as part of a future bond issue.

Board Approved Documents

The Arizona Board of Regents granted Project Initiation in February 1999, and Conceptual Approval in November of the same year. Pertinent documents are attached.

ARIZONA STATE UNIVERSITY MAIN CAMPUS
Projected Residential Life Bond Debt Service Schedule
Total Cumulative Debt Service
(Dollars in Thousands)

<u>Fiscal</u> <u>Year</u>	<u>Residential</u> <u>Life</u> <u>Existing</u> <u>Bond Debt</u> <u>Service</u>	<u>Auxiliary Bonds</u> <u>On-Campus</u> <u>Student Housing</u> <u>2000</u> <u>Bond Issue</u>	<u>Total</u> <u>Cumulative</u> <u>Debt</u> <u>Service</u>
2000	\$1,171	\$0	\$1,171
2001	\$1,188	\$798	\$1,986
2002	\$1,183	\$1,173	\$2,356
2003	\$1,048	\$1,173	\$2,221
2004	\$984	\$1,173	\$2,157
2005	\$958	\$1,173	\$2,131
2006	\$795	\$1,173	\$1,968
2007	\$798	\$1,173	\$1,971
2008	\$800	\$1,173	\$1,973
2009	\$799	\$1,173	\$1,972
2010	\$803	\$1,173	\$1,976
2011	\$810	\$1,173	\$1,983
2012	\$816	\$1,173	\$1,989
2013	\$818	\$1,173	\$1,991
2014	\$824	\$1,173	\$1,997
2015	\$831	\$1,173	\$2,004
2016	\$836	\$1,173	\$2,009
2017	\$846	\$1,173	\$2,019
2018	\$846	\$1,173	\$2,019
2019	\$855	\$1,173	\$2,028
2020		\$1,173	\$1,173
2021		\$1,173	\$1,173
2022		\$1,173	\$1,173
2023		\$1,173	\$1,173
2024		\$1,173	\$1,173
2025		\$1,173	\$1,173
	\$18,008	\$28,950	\$46,958

Note: Projected bond debt service assumes a May 2000 bond issue at 6% for 25 years. Interest earnings on construction funds are estimated at 5% for one year and are first used to pay issuance costs and then are netted against debt service.

ARIZONA STATE UNIVERSITY
APPROVAL VS. ISSUANCE RECONCILIATION
FOR THE TEN YEARS ENDED JUNE 30, 1999

		LEGISLATIVE BONDING AUTHORITY					
		PRIOR TO 1990		1996		TOTAL	
LEGISLATIVE AUTHORITY		AUXILIARY	ACADEMIC	AUXILIARY	ACADEMIC	AUTHORIZED	
AVAILABLE AUTHORITY AUTHORIZED PRIOR TO 1990		2,000,000	89,600,000			91,600,000	
CHAPTER 334 2ND SESSION 42ND LEGISLATURE 1996 (HB 2334)				30,000,000	70,000,000	100,000,000	
TOTAL BONDING AUTHORITY BY YEAR AND CATEGORY		2,000,000	89,600,000	30,000,000	70,000,000	191,600,000	

PROJECTS	BONDS SOLD	TOTAL OFFERING STATEMENT	BONDS ISSUED		TOTAL ISSUED	APPROVAL	AMOUNT APPROVED	ISSUED VS. APPROVED
LIFE SCIENCES BUILDING	SERIES 1989		30,800,000		30,800,000	JCCR 10/89	30,800,000	0
MUSIC BUILDING EXPANSION	SERIES 1989		11,700,000		11,700,000	JCCR 10/89	11,700,000	0
THERMAL STORAGE PROJECT	SERIES 1989		4,500,000		4,500,000	JCCR 10/89	4,500,000	0
ASBESTOS ABATEMENT	SERIES 1989		3,300,000		3,300,000	JCCR 10/89	3,300,000	0
PHYSICAL SCIENCES ADDITION	SERIES 1989		2,500,000		2,500,000	JCCR 10/89	2,500,000	0
CLASSROOM RENOVATIONS	SERIES 1989		2,100,000		2,100,000	JCCR 10/89	2,100,000	0
FIRE ALARM SYSTEMS	SERIES 1989		1,950,000		1,950,000	JCCR 10/89	1,950,000	0
TOTAL		56,850,000						
COMPUTING & NETWORK SERVICES BUILDING	SERIES 1991		15,226,000		15,226,000	JCCR 11/90	15,226,000	0
COLLEGE OF LAW LIBRARY	SERIES 1991		7,000,000		7,000,000	JCCR 11/90	7,000,000	0
PHYSICAL SCIENCES COMPLEX (B,C,D,F WINGS) RENOVATION	SERIES 1991		4,300,000		4,300,000	JCCR 11/90	4,300,000	0
GAMMAGE RENOVATION-PHASE 1A	SERIES 1991		3,300,000		3,300,000	JCCR 11/90	3,300,000	0
STADIUM FIELD LOWERING	SERIES 1991	2,000,000			2,000,000	JCCR 11/90	2,000,000	0
FACILITIES RENOVATION & IMPROVEMENTS	SERIES 1991		2,000,000		2,000,000	JCCR 11/90	2,000,000	0
FIRE ALARM SYSTEMS	SERIES 1991		924,000		924,000	JCCR 11/90	924,000	0
TOTAL		34,750,000						

ISSUANCE BY AUTHORITY	2,000,000	89,600,000	0	0	91,600,000	91,600,000	0
TOTAL BONDING AUTHORITY AVAILABLE	0	0	30,000,000	70,000,000	100,000,000		

EXECUTIVE SUMMARY

ACTION ITEM: Residential Life New Building Additions
Conceptual Approval (Arizona State University Main)
ASU Project No. 99201

ISSUE: ASU requests Conceptual Approval for Residential Life New Building Additions located at Center Campus.

BACKGROUND:

- **PREVIOUS BOARD ACTIONS:** Project Initiation Approval February 26, 1999.
- ASU proposes to construct New Residence Hall Building Additions at the north side of Hayden Hall. This will result in a 252 bed increase. The new building additions will add 65,409 GSF (40,685 NASF). Estimated project cost is \$8,200,000. The project will be funded through bond sales and Residential Life reserves.
- Residential Life commissioned Hanbury Evans Newill Vlattas and Company to develop a campus wide overall Residence Hall Development Plan. The final development plan is dated May 29, 1998. This plan identifies and confirms a need for 500 additional beds and was presented to ABOR with the project initiation submittal in February 1999.
- This project will significantly increase the residential space available for the Honors College. New and continuing students will benefit from this expanded and enhanced living learning environment.

Major Project Goals and Objectives

The Department of Residential Life at Arizona State University Main is committed to creating living, learning communities that promote academic excellence, foster personal development, and enhance the university experience for diverse student populations. This mission directly supports that of the institution, "to dedicate itself to superior instruction and to excellent student performance."

CONTACT: Mernoy Harrison (480) 965-3201
Vice Provost, Administrative Services

Christine Wilkinson (480) 965-7293
Vice President, Student Affairs

EXECUTIVE SUMMARY

CAPITAL PROJECT BUDGET SUMMARY

University: Arizona State University

Project Name: Residence Life New Building Additions at Center Campus

	Conceptual Approval Estimate	Project Approval Estimate	Final Budget at Substantial Completion
<u>Dates of Budget Estimate:</u>			
Capital Costs			
1. Land Acquisition	\$ 0	\$	\$
2. Construction Cost			
A. New Construction	\$5,246,091		
B. Renovation			
C. Special Fixed Equipment			
D. Site Development (excl. 2.E.)	\$ 212,280		
E. Parking and Landscaping	\$ 401,380		
F. Utilities Extensions	\$ 39,286		
G. Other * 75 spaces to pts	\$ 112,500		
H. Inflation Adjustment () mos.	\$ 236,000		
Subtotal Construction Cost	\$6,247,537		
3. Fees (% of Construction Cost)			
A. Construction Manager (3.7%)	\$ 233,933		
B. Architect/Engineer (7.7%)	\$ 482,000		
C. Other * Abatement Consultant	\$ 10,000		
4. FF&E Movable	\$ 310,000		
5. Contingency, Design Phase (4.9%)	\$ 287,599		
6. Contingency, Const. Phase (4.9%)	\$ 287,614		
7. Parking Reserve	\$		
8. Telecommunications Equipment	\$ 150,000		
Subtotal Sections 4-8	\$ 1,761,146		
9. Additional University Costs			
A. Surveys and Tests	\$ 11,000		
B. Move-in Costs	\$ 10,000		
C. Public Art	\$ 29,299		
D. Printing Advertisement	\$ 5,000		
E. Other * SWO'S, Signage, Trash Compactor	\$ 45,000		
F. State Risk Mgt Ins.(.006) **	\$ 41,018		
G. Asbestos Abatement	\$ 50,000		
Subtotal Addl. Univ. Costs	\$ 201,317		
TOTAL CAPITAL COST	\$ 8,200,000		

New construction cost estimated using Regent's Construction Cost
Control and Professional Fees Guidelines (if applicable)***

\$ N/A

Projected Cash Flow Needs for Total Project Cost:	FY99 213,868	FY00 4,636,092	FY01 3,350,040
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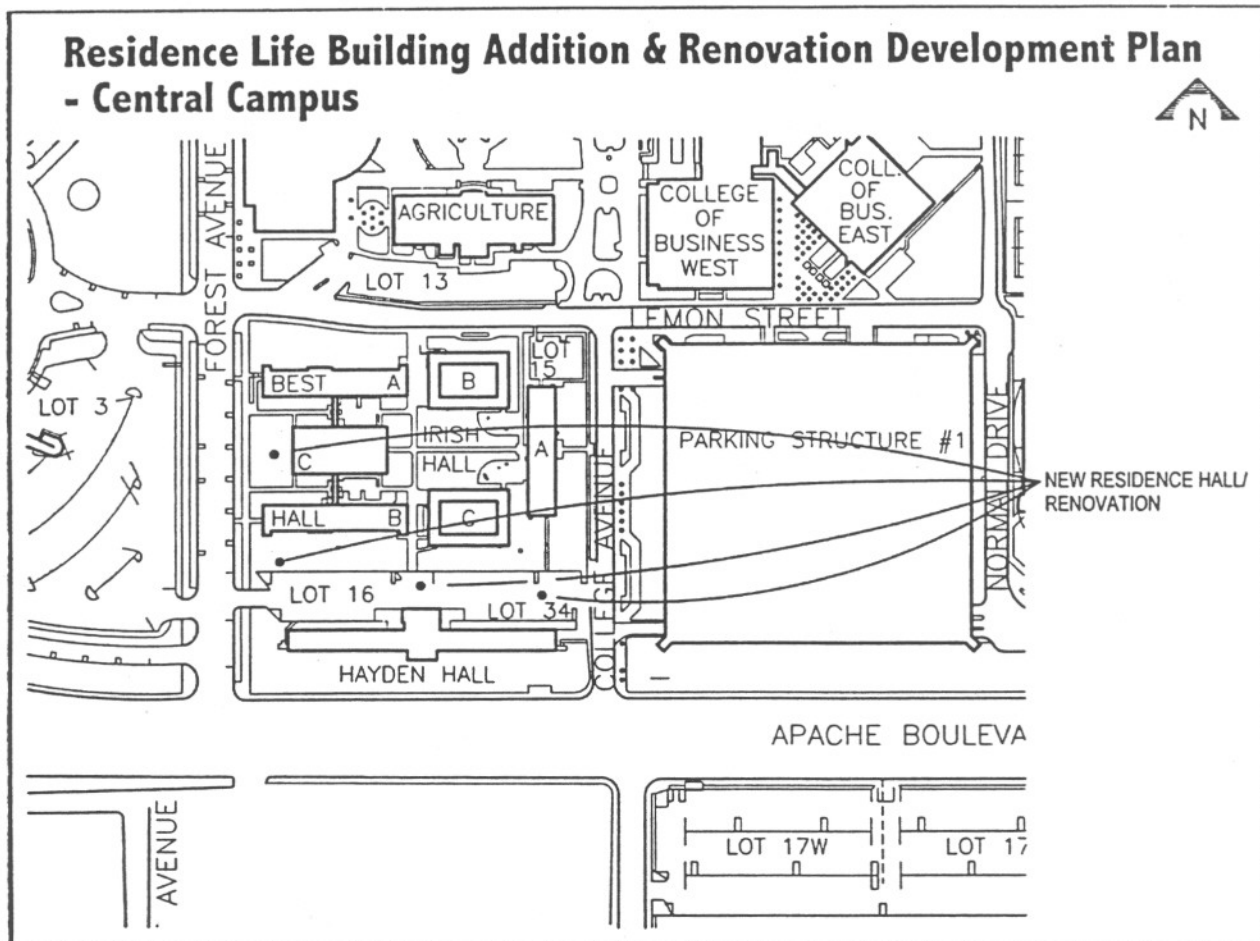
(in millions; updated at each submission)

* Universities shall identify items included in this category

** State Risk Management Insurance factor (.006) is calculated on construction costs and consultant fees

*** If the new construction cost on line 2.A exceeds the Guidelines cost by five percent, explain the difference

EXECUTIVE SUMMARY



EXECUTIVE SUMMARY

ACTION ITEM: Residential Life New Building
Conceptual Approval (Arizona State University Main)
ASU Project No. 99043

ISSUE: ASU requests Conceptual Approval for a new Residential Life Building located at North Campus.

BACKGROUND:

- **PREVIOUS BOARD ACTIONS:** Project Initiation Approval February 26, 1999.
- ASU proposes to construct a new residence hall located between Manzanita Hall and Palo Verde East Hall. This will result in a 252 bed increase. The new building will add 68,598 GSF (42,840 NASF). Estimated project cost is \$8,000,000. The project will be funded through bond sales and Residential Life reserves.
- Residential Life commissioned Hanbury Evans Newill Vlattas and Company to develop a campus wide overall Residence Hall Development Plan. The final development plan is dated May 29, 1998. This plan identifies and confirms a need for 500 additional beds and was presented to ABOR with the project initiation submittal in February 1999.
- This project will significantly increase the number of beds at North Campus. First year students will benefit from an enhanced Freshman Year Experience.

Major Project Goals and Objectives

The Department of Residential Life at ASU Main is committed to creating living, learning communities that promote academic excellence, foster personal development, and enhance the university experience for diverse student populations. This mission directly supports that of the institution, "to dedicate itself to superior instruction and to excellent student performance."

CONTACT: Mernoy Harrison (480) 965-3201
Vice Provost, Administrative Services

Christine Wilkinson (480) 965-7293
Vice President, Student Affairs

Board of Regents Meeting
November 18-19, 1999
Agenda Item No. 23
Arizona State University
Page 6 of 7

EXECUTIVE SUMMARY

CAPITAL PROJECT BUDGET SUMMARY

University: Arizona State University

Project Name: Residential Life New Building at North Campus

	<u>Conceptual Approval Estimate</u>	<u>Project Approval Estimate</u>	<u>Final Budget at Substantial Completion</u>
<u>Dates of Budget Estimate:</u>			
Capital Costs			
1. Land Acquisition	\$ 0	\$	\$
2. Construction Cost			
A. New Construction	\$5,410,764		
B. Renovation			
C. Special Fixed Equipment			
D. Site Development (excl. 2.E.)	\$ 91,805		
E. Parking and Landscaping	\$ 161,040		
F. Utilities Extensions	\$ 45,120		
G. Other * 190 spaces to pts	\$ 285,000		
H. Inflation Adjustment () mos.	\$ 233,500		
Subtotal Construction Cost	\$6,227,229		
3. Fees (% of Construction Cost)			
A. Construction Manager (3.7%)	\$ 233,933		
B. Architect/Engineer (7.9%)	\$ 493,000		
C. Other *	\$		
4. FF&E Movable	\$ 328,000		
5. Contingency, Design Phase (3.6%)	\$ 202,330		
6. Contingency, Const. Phase (4.0%)	\$ 226,544		
7. Parking Reserve	\$		
8. Telecommunications Equipment	\$ 150,000		
Subtotal Sections 4-8	\$1,633,808		
9. Additional University Costs			
A. Surveys and Tests	\$ 11,000		
B. Move-in Costs	\$ 10,000		
C. Public Art	\$ 28,318		
D. Printing Advertisement	\$ 5,000		
E. Other * SWO'S, Signage, Trash Compactor	\$ 45,000		
F. State Risk Mgt Ins.(.006) **	\$ 34,645		
Subtotal Addl. Univ. Costs	\$ 138,963		
TOTAL CAPITAL COST	\$ 8,000,000		

New construction cost estimated using Regent's Construction Cost
Control and Professional Fees Guidelines (if applicable)***

\$ N/A

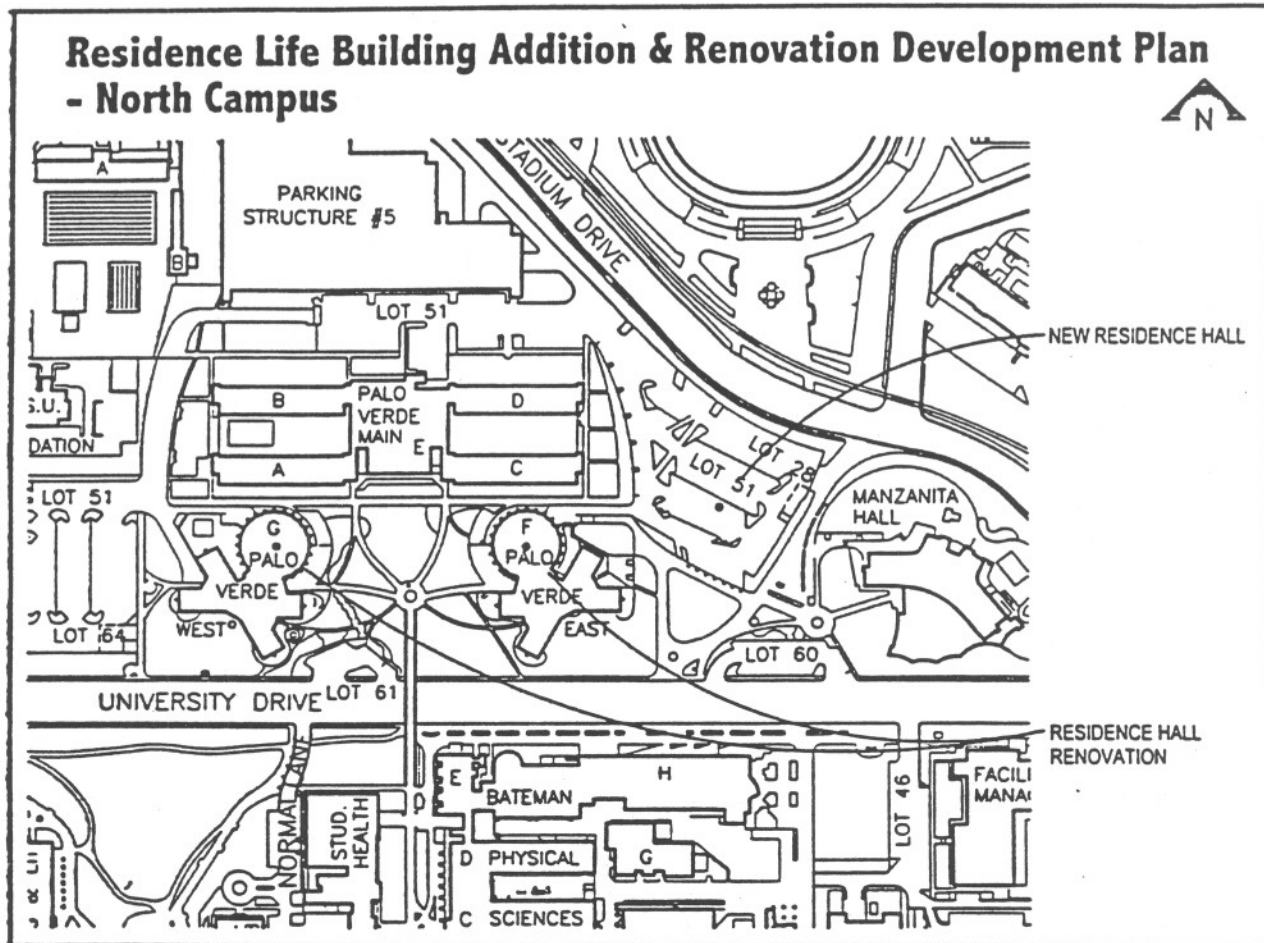
	<u>FY99</u>	<u>FY00</u>	<u>FY01</u>
Projected Cash Flow Needs for Total Project Cost:	220,695	4,481,072	3,298,233
(in millions; updated at each submission)			

* Universities shall identify items included in this category

** State Risk Management Insurance factor (.006) is calculated on construction costs and consultant fees

*** If the new construction cost on line 2.A exceeds the Guidelines cost by five percent, explain the difference

EXECUTIVE SUMMARY



RESIDENTIAL LIFE
STATEMENT OF ACTIVITY - FY 99
TWELVE MONTHS ENDED JUNE 30, 1999

	FY 1999 BUDGET	ACTUAL	ENCUMBERED	AVAILABLE BUDGET
BEGINNING BALANCE	1,213,000	1,516,130		(303,130)
REVENUE				
GRANTS & GIFTS - FIESTA BOWL	0	0	0	0
ROOM - FALL	7,360,400	7,586,369	0	(225,969)
ROOM - SPRING	4,713,500	4,788,303	0	(74,803)
ROOM - SUMMER	310,000	260,343	0	49,657
RHA FEE COLLECTION	0	(78)	0	78
CONFERENCE/GUEST	260,000	268,033	0	(8,033)
DAMAGES/LOCKS	92,400	84,446	0	7,954
OTHER ROOM /BOARD	0	51	0	(51)
FOOD/CONCESSION	120,900	184,943	0	(64,043)
VENDING COMMISSIONS	327,000	267,377	0	59,623
AT&T COMMISSIONS	0	87,951	0	(87,951)
OTHER COMMISSIONS	0	6,201	0	(6,201)
FACILITY/EQUIP RENTAL	57,000	57,000	0	0
CONFERENCE/SEMINAR FEES	0	3,772	0	(3,772)
DEP NON REF FORF	494,300	503,968	0	(9,668)
AMUSEMENT DEVICES/SALES	100	106	0	(6)
MISC & OTHER	(145,000)	(184,443)	0	39,443
TRANSFERS IN	35,900	32,165	0	3,735
GROSS REVENUE	13,626,500	13,946,507	0	(320,007)
LESS: DIRECT COST OF SALES	(15,000)	0	0	(15,000)
NET REVENUE	13,611,500	13,946,507	0	(335,007)
NET AVAILABLE FUNDING	14,824,500	15,462,637	0	(638,137)

EXPENDITURES AND TRANSFERS OUT				
BUDGETED SALARIES	2,933,500	2,692,288	(0)	241,213
OTHER PERSONAL SERVICES	815,600	973,558	0	(157,958)
ERE	715,000	583,573	0	131,427
SERVICES	1,365,200	1,223,037	0	142,163
MATERIALS & SUPPLIES	455,950	393,700	0	62,250
NON CAPITAL EQUIPMENT	175,350	122,640	0	52,710
COMMUNICATIONS	665,400	684,523	0	(19,123)
RENTALS/LICENSES	35,200	42,051	0	(6,851)
UTILITIES	1,807,000	1,530,301	0	276,699
MISCELLANEOUS	70,600	82,202	0	(11,602)
TRAVEL	34,900	49,549	0	(14,649)
CAPITAL	47,000	130,934	0	(83,933)
STUDENT SUPPORT	210,000	242,271	0	(32,271)
ADMINISTRATIVE SERVICE CHARGE	576,400	537,735	0	38,665
TRANSFER OUT - PLANT FUNDS/RESERVES	2,400,000	2,400,000	0	0
TRANSFER OUT - CONFERENCE SUPPORT	0	0	0	0
TRANSFER OUT - COUNSELING & CONSULTATION	46,400	46,400	0	0
TRANSFER OUT - CAPITAL RESERVE	100,000	100,000	0	0
TRANSFER OUT - DEBT SERVICE	1,165,800	1,165,800	0	0
COST OF GOODS SOLD		0	0	0
SCHOLARSHIPS	0	0	0	0
TOTAL EXPENDED AND TRANSFERS OUT	13,619,300	13,000,561	(0)	618,739

CHANGE IN FUND BALANCE 945,946

ENDING FUND BALANCE 2,462,076

ARIZONA STATE UNIVERSITY RESIDENTIAL LIFE

<u>RESIDENCE HALLS</u>	<u>DATE CONSTRUCTED</u>	<u>NUMBER OF BEDS FALL 2000</u>	<u>ROOM RATES 1999 - 2000</u>
1. Palo Verde West	1964	389	\$ 2,835
2. Palo Verde Main Wings A, B, C, E Wings D	1957 1958	552	\$ 2,835
3. Palo Verde East	1962	390	\$ 2,835
4. Manzanita Hall	1967	946	\$ 2,835
5. Cholla 1 Bedroom Studio 2 Bedroom	1969	651	\$ 3,580 \$ 3,965 \$ 2,960
6. Mariposa Wings A, D Wings B, C	1961 1969	185	\$ 2,835
7. Ocotillo	1968	326	\$ 2,665
8. Sahuaro Hall Wings A, B, C Wings D, E	1958 1965	336	\$ 2,695
9. Sonora 1 Bedroom 2 Bedroom	1990	400	\$ 3,580 \$ 3,165
10. Hayden	1951	141	\$ 2,390
11. Irish Wings B Wings C	1940 1946	100	\$ 2,665
12. Best Wings A, B Wings C	1956 1965	356	\$ 2,390
13. McClintock	1951	166	\$ 2,665
TOTAL NUMBER OF BEDS		<u>4,938</u>	

Prepared By: Wendell C. Brieny - March 15, 2000

STATE OF ARIZONA

Joint Committee on Capital Review

STATE
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CHAIRMAN 1999
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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

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REPRESENTATIVES

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

DATE: March 20, 2000

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

THRU: Richard Stavneak, Director

FROM: Rebecca Hecksel, Assistant Fiscal Analyst

SUBJECT: ARIZONA EXPOSITION AND STATE FAIR BOARD — REPORT ON FY 2000
BUILDING RENEWAL ALLOCATION PLAN

Request

The Arizona Exposition and State Fair (AESF) submits its FY 2000 building renewal plan.

Recommendation

The report is for information only and no Committee action is required. The JLBC Staff would note, however, that the proposed capital improvement plan appears reasonable and complies with the intent of building renewal statutes.

Analysis

Laws 1986, Chapter 85 established the Joint Committee on Capital Review and charged it with developing a Building Renewal formula to guide the Legislature in appropriating monies for maintenance and repair of state buildings. A.R.S. § 41-1252 requires JCCR review of the expenditure plan for Building Renewal monies. JCCR has not been consistent in reviewing these plans in the past. The FY 2000 expenditure plan has been submitted to JCCR for information only. AESF will submit their FY 2001 plan for formal review when it is developed.

Laws 1999, Chapter 2, 1st Special Session appropriated \$1,013,200 in FY 2000 from the Arizona Exposition and State Fair Fund to AESF for major maintenance and repair of its facilities. The following chart outlines the FY 2000 projects in order of priority:

Priority	Project	Estimated Cost
1	Repair and seal 3 parking lots	\$ 430,000
2	Upgrade electrical amenities in 3 vendor service areas	170,000
3	Repair Coliseum decking	140,000
4	Waterproof metal roofs on 6 buildings	195,000
5	Obtain an engineering study on the feasibility of installing air conditioning in 3 primary rental facilities	50,000
6	Repair roof of the Floriculture Building	20,000
	TOTAL	\$1,005,000

(Continued)

The projects were prioritized based on the agency's goals to:

- 1) provide for the health and safety of AESF guests and employees
- 2) preserve AESF assets
- 3) provide updated amenities to the public, and
- 4) create additional agency revenue streams.

Laws 1999, Chapter 2, 1st Special Session appropriates an additional \$1,069,800 in FY 2001 from the Arizona Exposition and State Fair Fund for building renewal. Before the expenditure of these monies, AESF is required to submit a proposed allocation plan for review by the Joint Committee on Capital Review.

RS:RH:jb

ARIZONA STATE FAIR PARK

And Exposition

March 1, 2000



The Honorable Robert Burns
Chairman, Joint Committee on Capital Review
1716 West Adams
Phoenix, AZ 85007

Dear Mr. Burns:

The Arizona Exposition and State Fair (AESF) hereby submits its list of capital improvement projects to the Joint Committee on Capital Review (JCCR). Of the \$1,103,200.00 appropriated to AESF in fiscal year 2000, the agency proposes the completion of the following items ranked in order of priority:

1. **Repair and seal of AESF parking lots**
 - a. North Lot Paving \$ 215,000.00
 - b. South Lot Paving \$ 160,000.00
 - c. 20th Avenue Lot Paving \$ 55,000.00

Crack seal, seal coat, and spot repair parking lots where needed to prevent deterioration of existing sub-base and asphalt. All projects include architectural and engineering (A & E) fees.

2. **Electrical Upgrade**
 - a. Northwest Vendor Service Area \$ 80,000.00
 - b. Northeast Vendor Service Area \$ 40,000.00
 - c. 20th Avenue Vendor Service Area \$ 50,000.00

Electrical upgrades will allow vendor service units to plug directly into duplexes ranging from 15 amps to 60 amps. Upgrades will also provide adequate lighting for safety and security.

3. **Coliseum Decking**
 - a. Replace or repair decking around outside of Coliseum \$140,000.00

Decking serves as a roof over the Coliseum's north and south halls. Repair will preserve the halls and eliminate safety hazards.



AESF Capital Improvements

Page 2

3/1/00

4. Waterproof Metal Roofs

a.	Receiving Building	\$10,000.00
b.	Carpenter Shop Building	\$10,000.00
c.	Mechanic Shop Building	\$10,000.00
d.	Agriculture Center	\$65,000.00
e.	Exhibit Building	\$60,000.00
f.	Youth Center	\$40,000.00

Project will make buildings water tight and add insulation.

5. Air Conditioning for Youth Building, Exhibit Building and Agriculture Center

a.	Youth Building	\$10,000.00
b.	Exhibit Building	\$20,000.00
c.	Agriculture Center	\$20,000.00

To provide A & E services for the installation of air conditioning in the aforementioned buildings.

6. Repair Roof Floriculture Building

a.	Flint coat roofing	\$20,000.00
----	--------------------	-------------

To repair or replace building roofing.

It should be noted that no single project exceeds \$250,000.00 in cost. The estimated total cost of all projects is \$1,005,000.00. Should you require additional information, please do not hesitate to call me.

Sincerely,


GARY D. MONTGOMERY, CFE
Executive Director

Cc: The Honorable Randall E. Gnatt
Lorenzo Martinez, JLBC

STATE OF ARIZONA

Joint Committee on Capital Review

STATE
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BOB MCLENDON
ANDY NICHOLS
CHRISTINE WEASON

DATE: March 20, 2000

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

THRU: Richard Stavneak, Director

FROM: Chris Earnest, Senior Fiscal Analyst

SUBJECT KARTCHNER CAVERNS STATE PARK QUARTERLY STATUS REPORT

Request

Pursuant to Laws 1998, Chapter 297 the Arizona State Parks Board is providing the quarterly project status and financial report on Kartchner Caverns State Park.

Recommendation

No Committee action is required, but the JLBC Staff recommends that Parks Staff provide the Committee with a project development timeline after reviewing a report on the effects of roosting bats in the lower caverns. The University of Arizona report will help Parks Staff decide how to proceed with construction and may ultimately impact the completion date, which was original targeted for September 2001.

Analysis

The Arizona State Parks Board is required to report at the end of each calendar quarter to the Committee on the status of the development of Kartchner Caverns State Park. The report must include details of the actual and projected costs, quarterly expenditures and source of monies, and a project development timetable.

Financial Summary

As of FY 2000 quarter ending December 31, 1999, a total of \$28,532,900 has been allocated to the park's development from 5 fund sources. Of this amount, all but \$2,214,900, or 7.8% of the total, has been expended or encumbered. The following table summarizes these amounts by fund source and percentage allocations:

(Continued)

Kartchner Caverns Construction Development Funding
(As of December 31, 1999)

<u>Fund Source</u>	<u>Approved Amount</u>	<u>Percent</u>	<u>Unobligated Balance</u>
General Fund	\$ 3,500,000	12.3%	\$ 0
Enhancement Fund	17,212,000	60.3%	1,569,800
Heritage Fund	5,174,500	18.1%	645,000
State Highway Fund	2,445,700	8.6%	0
National Recreational Trails Fund	200,700	0.7%	0
TOTAL	<u>\$28,532,900</u>	<u>100.0%</u>	<u>\$2,214,800</u>

Through the end of February, revenues from Kartchner Caverns State Park totaled \$1.35 million. It is estimated that in the park's first year of operation, total revenues will exceed \$2.5 million. These revenues are deposited into the State Parks Enhancement Fund (SPEF) and used for operation and development of state parks. The Committee must approve expenditures of development monies in the fund. It is anticipated that Parks Staff will seek JCCR approval of FY 2000 SPEF development monies, to include the continued development of Kartchner Caverns, after they receive approval from the Parks Board in April.

Project Timetable

Laws 1998, Chapter 298 require that the quarterly status report provide a project development timetable. The last status report did not include a timetable and in its memo to the Committee, JLBC Staff requested that future reports include one. A timetable has not been provided with the current report, however, as the migration of bats to the caves will curtail construction from May until September. Cave development staff expects to meet soon to review a University of Arizona report on the effects of roosting bats in developing the cave. The report was released last week and recommends how to proceed with development during the months the bats are present. The JLBC Staff requests that upon Parks review of the report, a project development timeline and a target completion date be provided to the committee.

RS:CE:jb



"Managing and conserving natural, cultural, and recreational resources"

February 17, 2000

Representative Robert Burns
Joint Committee on Capital Review
1700 West Washington
Phoenix, AZ 85007



Jane Dee Hull
Governor

RE: Chapter 297, Laws 1998

State Parks
Board Members

Dear Representative Burns:

Chair
Sheri J. Graham
Sedona

Pursuant to Chapter 297, Laws 1998, Arizona State Parks (ASP) is forwarding the project status and financial information for Kartchner Caverns State Park.

Vernon Roudebush
Safford

Project Status -- The Park has been open since November 12, 1999. Since that time we have hosted 45,653 visitors in the Discovery Center and on cave tours. Weekly revenues average \$54,000. As of 2/11/00 ASP has reported \$1.3 million in revenues from Kartchner Caverns State Park.

Walter D. Armer, Jr.
Benson

Construction in Progress -- While the park is open to the public, construction and improvements are ongoing. This includes Big Room trail construction and completion of miscellaneous improvements.

Suzanne Pfister
Phoenix

Joseph H. Holmwood
Mesa

Ruth U. Patterson
St. Johns

Michael E. Anable
Acting State
Land Commissioner

Kenneth E. Travous
Executive Director

Arizona State Parks
1300 W. Washington
Phoenix, AZ 85007

Tel & TTY: 602.542.4174
www.pr.state.az.us

800.285.3703
from (520) area code

General Fax:
602.542.4180

Director's Office Fax:
602.542.4188

- **Cavern Trail Construction** -- The Big Room complex is progressing as expected. At the Cul-De-Sac trailhead, rough trail extends to the Strawberry formation about 200ft. The trail beyond this area is over a large breakdown boulder field and is progressing slowly as we must break the rock and fill voids with concrete to stabilize the trail base. At the Tarantula trailhead a similar process is being used through the breakdown, plus the additional construction of retaining walls to bring the trail to final grade. This trail currently extends about 300ft. of rough trail into the Big Room. At completion, this trail will be approximately 1200ft. In early January, cave experts were asked to review the trail master plan. The consultant's recommendations have been implemented and will result in a less elevated pathway through the Big Room.



"Managing and conserving natural, cultural, and recreational resources"

Jane Dee Hull
Governor

State Parks
Board Members

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Sedona

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Acting State
Land Commissioner

Kenneth E. Travous
Executive Director

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- **Timeline** -- It is too early in the construction process to accurately predict a completion date. It is expected that by June 2000, a preliminary completion date can be estimated. The bats return to this room at the end of May and this will curtail construction until September. We are awaiting a report from the University of Arizona that will recommend how to proceed during the time the bats are roosting in the Big Room
- **Park Facilities** -- Due to high visitor demand for cave tours, all operational efforts have been concentrated on day-use visitation. It is projected that the campground will open to the public July 1, 2000. This is the beginning of the fiscal year and the park will receive its full allocation of operating monies. Work is continuing on establishing a temporary office for the Development staff, so the dormitories (current development office) can be used for employee housing.

Financial Status -- The budget for the development and construction is \$28,532,850 (this figure does not include start-up funds of approximately \$1.2 million). Attached you will find summary information and detailed allocations, expenditures and obligations by activity and fund for the quarter ending December 31, 1999. As of December 31, 1999, 90.62 % of the budget was expended.

Your continued support of this project and our staff is greatly appreciated. Please give me a call should you have any questions or if I may be of assistance to you or your staff.

Sincerely,

Kenneth E. Travous
Executive Director

Copy: Senator Randall Gnant, Vice Chair
Representative Gail Griffin, District 8
Senator Gus Arzberger, District 8
Richard Stavneak, Director, JLBC
Thomas Betlach, Director, OSPB
Maria Baier, Office of the Governor
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