

STATE OF ARIZONA

Joint Committee on Capital Review

STATE
SENATE

ROBERT L. BURNS
CHAIRMAN 2005
PAULA ABOUD
LINDA AGUIRRE
TIMOTHY S. BEE
ROBERT CANNELL
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HOUSE OF
REPRESENTATIVES

TOM BOONE
CHAIRMAN 2006
AMANDA AGUIRRE
ANDY BIGGS
JACK A. BROWN
PHIL LOPES
RUSSELL K. PEARCE
STEPHEN TULLY

JOINT COMMITTEE ON CAPITAL REVIEW

Tuesday, April 18, 2006

8:00 a.m.

House Hearing Room 4

MEETING NOTICE

- Call to Order
- [Approval of Minutes of February 23, 2006.](#)
- DIRECTOR'S REPORT (if necessary).
- 1. [ARIZONA GAME AND FISH DEPARTMENT - Review of Scope, Purpose, and Estimated Cost of Headquarters Relocation Project.](#)
- 2. [YUMA-LA PAZ COMMUNITY COLLEGE DISTRICT - Review of General Obligation Bond Issuance.](#)
- 3. [ARIZONA STATE PARKS - Review of State Lake Improvement Fund Projects.](#)

The Chairman reserves the right to set the order of the agenda.
4/12/06

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

Thursday, February 23, 2006

The Chairman called the meeting to order at 8:18 a.m., Thursday, February 23, 2006 in House Hearing Room 5 and attendance was as follows:

Members:	Senator Burns, Vice-Chairman	Representative Boone, Chairman
	Senator Aboud	Representative Biggs
	Senator Bee	Representative Brown
	Senator Cannell	Representative Lopes
	Senator Gould	Representative Pearce
	Senator Johnson	
Absent:	Senator L. Aguirre	Representative A. Aguirre
		Representative Tully

Senator Burns moved the Committee approve the minutes of December 20, 2005, as presented. The motion carried.

ARIZONA STATE PARKS BOARD – Review of State Lake Improvement Fund Projects.

Mr. Lorenzo Martinez, JLBC Staff, presented the review of State Lake Improvement Funds (SLIF) from the Parks Board. There were 11 projects submitted, totaling \$2,581,500.

Senator Robert Cannell asked if funds have been swept from the fund in the past.

Mr. Martinez replied that this is the first time there have been SLIF grant monies available since FY 2001. There have been deposits made into the General Fund from this fund, and, in addition, any available monies have been used to off-set operating costs for the Parks Board.

Mr. Jay Ziemann, Assistant Director, Arizona State Parks, stated they would like a favorable review as recommended in option 1 of the JLBC recommendation memo. The budget has an operating deficit that was created by reductions to the General Fund operating budget which was over \$8 million 2 years ago and is now \$2.3 million. To continue operating, the agency has been using 30% of its SLIF funds. SLIF monies are usually set aside for capital improvements on boating parks. The Board decided not to have capital projects and use the fund for operating the agency.

Senator Bob Burns asked what would happen if the Committee were to adopt the second option in the JLBC recommendation memo and a supplemental request was not given.

Mr. Ziemann stated that the agency would be looking at reductions in positions and closing state parks. This is an option the agency does not want to pursue.

Mr. Richard Stavneak, Director, JLBC Staff, stated that the Parks Board would need to provide more information on the need for additional administrative expenses to better understand the appropriate level.

Mr. Ziemann stated \$3.1 million is more than the agency wants to spend on operating. Those monies would normally be set aside to do capital projects at state parks. Of the \$900,000 savings last year, over \$640,000 was in vacancy savings and the remainder was for computer information technology items that were not implemented yet. The rest of the money was from marketing efforts.

Representative Russell Pearce asked why money is being used from SLIF for projects that qualify for Heritage Fund money. He also asked if boating law enforcement was being funded out of the Boating Safety Law Enforcement Fund (BSLF) or SLIF.

Mr. Ziemann replied that the BSLF funds are fully expended and these SLIF grants are additional law enforcement requests for state lake improvement. In statute, these projects are eligible items for being funded out of SLIF.

Representative Pearce stated that SLIF was intended for capital projects, not boats and enforcement.

Mr. Ziemann stated that the Parks Board position has been that these projects have been identified as appropriate projects under the SLIF statutes. When changes are discussed, the Board is willing to do whatever is in the statute and what the SLIF fund requires. If the Legislature and the Governor want to make changes, the Board will comply and run the program according to the statutes. The Heritage Fund interest earnings have been reduced as interest rates have gone down, those interest funds are fully expended.

Representative Pearce stated that those funds ought to be restricted to what they were intended for and there are broad interpretations of what can be done with the funds.

Mr. Ziemann replied that the fund was structured to be utilized the way that it is being used. Funds have been a catch all for the agency to keep things running when there has been no other funding available.

Senator Burns moved the Committee give a favorable review of the Parks Board request for 11 SLIF grants and projects totaling \$2,581,500 and that the Parks Board report on the following:

- *Its specific proposal to allocate the \$150,000 for State Parks projects.*
- *The use of pricing guidelines for equipment to ensure that local governments receive comparable grants for comparable equipment.*
- *A delineation of the increased administrative expenses from FY 2005 to FY 2006 to be funded from SLIF.*

The motion carried.

SCHOOL FACILITIES BOARD – Review of FY 2006 Building Renewal Distributions.

Mr. Lorenzo Martinez, JLBC Staff, presented the review of Building Renewal distributions by the School Facilities Board (SFB). SFB has \$70 million to distribute for Building Renewal in FY 2006 that requires review by the Committee. Statute says distribution of the money should occur in 2 equal payments, the first in November and the second in May. In the SFB letter dated February 15, the agency acknowledged that it did not request Committee review even though they distributed the November payment. That initial distribution was \$25 million as opposed to \$35 million because not all school districts submitted their capital plans as required. SFB will comply with future requirements to have a review by JCCR.

Representative Tom Boone asked why the school districts would not comply and submit their plan if the money was available.

Mr. Martinez replied that he did not know the answer, however, before districts can receive any building renewal monies, they have to submit a 3 year capital plan, and not all districts, as of November, had submitted their plan.

Representative Boone stated he understands that school districts have to turn in their plans on how they are going to use the money, but there has been concern on their being enough money in the building renewal appropriations.

Senator Burns moved the Committee give a favorable review to the distribution of the Building Renewal Fund monies. The motion carried.

ARIZONA EXPOSITION AND STATE FAIR BOARD – Review of FY 2006 Building Renewal Allocation Plan.

Mr. Lorenzo Martinez, JLBC Staff, presented the review of the State Fair Board Building Renewal Allocation Plan for FY 2006. The review of \$859,000 is for 4 projects, leaving \$527,800 unallocated from the appropriation.

Senator Burns moved the Committee give a favorable review to the \$859,000 for the 4 submitted projects with the provision that the Arizona Exposition and State Fair Board submit for Committee review an allocation plan for the remaining \$527,800 if monies are to be used for additional projects. The motion carried.

ARIZONA DEPARTMENT OF TRANSPORTATION – Review of De-Icer Building Projects.

Mr. Lorenzo Martinez, JLBC Staff, presented the review of approximately \$1.1 million for the construction of 4 buildings that store road de-icing materials. The allocation is an estimate based on previous bids for similar projects. ADOT should report back once bids for the project are reviewed.

Senator Burns moved the Committee give a favorable review of the project with the condition that ADOT report back to JLBC Staff with their new cost estimate after the contract is awarded. The motion carried.

ARIZONA GAME AND FISH DEPARTMENT – Report on Relocation of Game and Fish Headquarters.

Mr. Lorenzo Martinez, JLBC Staff, presented the report on the relocation of the Arizona Game and Fish Department (AGFD) Headquarters. In July 2005, the Committee reviewed some AGFD projects and was notified that the department was considering relocating its headquarters. They have since decided to relocate and as a result, they are providing information to the Committee. The AGFD plans to relocate from its existing site on Greenway and I-17 to the Ben Avery Shooting Range at I-17 and Carefree Highway. It would build an 80,000 square foot facility compared to the current 71,000 square foot facility at an estimated cost of approximately \$15 million to \$16 million. They would finance through a Privatized Lease-To-Own (PLTO) agreement plus allocate the potential proceeds from the sale of land from the existing site.

Senator Karen Johnson asked about the effect of the relocation if the Ben Avery range were to go into the hands of the City of Phoenix.

Mr. Martinez replied that JLBC Staff is not aware of that issue but can research that information. The Ben Avery property is currently owned by the department and some of the operations are contracted out.

Senator Timothy Bee asked what the department is going to do with the current facility and if it will be sold.

Mr. Martinez replied that the current site is split between the north and south side of Greenway Road. The north portion is owned by the department, and that parcel would be sold. The southern portion is leased from the City of Phoenix, so that will be returned to the city.

Senator Burns moved the Committee request that the Arizona Game and Fish Department (AGFD) submit the scope, purpose, and estimated cost of the headquarters relocation project to the Committee before the department executes any financing agreement. The motion carried.

FY 2007 CAPITAL OUTLAY BUDGETS

Mr. Lorenzo Martinez, JLBC Staff, presented the FY 2007 Capital Outlay Budget as explained in a separate handout (see attachment). He also explained the proposed motion.

Senator Bee asked if funds were appropriated for the Department of Corrections lock replacement prior to this appropriation.

Mr. Martinez replied that in FY 2000, there was an appropriation in the capital budget for lock replacement. When the economic downturn occurred, the budget was revised to take the money out for lock replacement. There was \$100,000 left for ADOA to do an assessment of the prison system to see what the needs were relative to locks. That assessment estimated a \$40 million need.

Mr. Roger Vanderpool, Director, Department of Public Safety, stated that he is here to ask for support for the Southern Region Crime Lab. This project is important for the criminal justice community in Arizona as well as the victims. Today, the Southern Region Crime Lab is housed in a 5,000 square foot warehouse built in 1977, with 25 criminalists and technicians. Standards are 1,000 square feet per criminalist. The building has been outgrown, and technology used to process DNA cannot be put into the building because the electrical system and ventilation is inadequate. The land is available for the building, so it does not require purchasing land. Congressman James Kolbe has secured funds to allow the plans to be drawn up.

Senator Burns moved the JLBC recommendation for the Capital Outlay Budget in FY 2007, including footnotes, format, performance measures, and statutory changes if applicable, be included in the proposed budget legislation with the following changes:

- *Add \$20,000,000 from the General Fund in FY 2007 to the Arizona Board of Regents to fund 29% of the Building Renewal Formula for the University Building System. This amount includes \$6,451,900 for ASU, \$2,647,200 for NAU, and \$10,900,900 for UofA.*
- *Add \$3,849,200 from the General Fund in FY 2007 to the Arizona Department of Administration (ADOA) for Building Renewal. This would provide a total of \$7,249,200 to fund 29% of the Building Renewal Formula for the ADOA Building System.*
- *Add the following footnote:*
 - *The building renewal expenditure plans submitted by agencies for review by the Joint Committee on Capital Review shall identify the components for each project that incorporate energy efficient systems.*
- *Add \$5,200,000 from the General Fund in FY 2007 to the Arizona Department of Administration for replacement of cell locks and cell doors at state prisons.*
- *Add \$2,189,000 from the Corrections Fund in FY 2007 to the Arizona Department of Administration to upgrade a water treatment plant at the Arizona State Prison Complex in Yuma.*
- *Add \$200,000 from the State Aviation Fund in FY 2007 to the Arizona Department of Transportation for Civil Air Patrol infrastructure improvements at the Glendale Municipal Airport.*
- *Revise session law from FY 2006 to allow the Department of Economic Security (DES) to convey, instead of exchange, property with the City of Prescott, and to retain any proceeds from the conveyance for moving costs and to acquire office space.*

Note: The total FY 2007 increase above the JLBC Baseline is: \$29,049,200 from the General Fund, \$2,189,000 from the Corrections Fund, and \$200,000 from the State Aviation Fund.

Representative Boone stated that there are other things that need to be funded in Capital Outlay. There will be further discussions on Capital Outlay as the budget moves forward.

Representative Lopes made a substitute motion to the JLBC recommendation for the Capital Outlay Budget in FY 2007, including footnotes, format, performance measures, and statutory changes if applicable, be included in the proposed budget legislation with the following changes:

- Add \$20,000,000 from the General Fund in FY 2007 to the Arizona Board of Regents to fund 29% of the Building Renewal Formula for the University Building System. This amount includes \$6,451,900 for ASU, \$2,647,200 for NAU, and \$10,900,900 for UofA.
- Add \$10,037,500 from the General Fund in FY 2007 to the Arizona Department of Administration (ADOA) for Building Renewal.
- Add the following footnote:
 - The building renewal expenditure plans submitted by agencies for review by the Joint Committee on Capital Review shall identify the components for each project that incorporate energy efficient systems.
- Add \$1,400,000 from the Capital Outlay Stabilization Fund in FY 2007 to bring COSF to a total of \$4,800,000.
- Add \$5,200,000 from the General Fund in FY 2007 to the Arizona Department of Administration for replacement of cell locks and cell doors at state prisons.
- Add \$2,189,000 from the Corrections Fund in FY 2007 to the Arizona Department of Administration to upgrade a water treatment plant at the Arizona State Prison Complex in Yuma.
- Add \$200,000 from the State Aviation Fund in FY 2007 to the Arizona Department of Transportation for Civil Air Patrol infrastructure improvements at the Glendale Municipal Airport.
- Revise session law from FY 2006 to allow the Department of Economic Security (DES) to convey, instead of exchange, property with the City of Prescott, and to retain any proceeds from the conveyance for moving costs and to acquire office space.
- Add \$5,500,000 General Fund for annual debt service payments for a Southern Arizona Veteran Home, DPS Regional Crime Laboratory in Tucson, and the Forensic Unit at the Arizona State Hospital.

Representative Lopes stated that his substitute motion has 3 differences: 1) bullet #2 adds additional funding to ADOA for Building Renewal, 2) bullet #4 is also for Building Renewal, 3) the last bullet is added for projects not in the original motion and annual debt service that is not included in the FY 2007 Capital Outlay Budget handout.

Representative Boone stated that Capital Outlay will be revisited as the budget process moves along. In reference to the last bullet point, they are all lease-purchase arrangements and he does not think it is wise to move into a debt arrangement. He is in discussion with Department of Health Services on the Arizona State Hospital because there are other options for the state. He would like to move forward with the original motion and opposes the substitute motion.

Representative Lopes asked if the funding would be included if debt service will be required. It was implied there may be other discussions on how the projects might be funded.

Representative Boone replied that the last bullet substitute motion finances the lease purchase arrangement. On these projects, there is some leaning toward funding a portion or all of those that are ongoing. Specifically with Arizona State Hospital, it could potentially be done by private contractors with no cost to the state. There are other alternatives to funding this project. He would suggest moving forward with the original motion knowing there is still discussion taking place on this project.

Senator Bee stated that he would like to continue working on the projects.

The substitute motion from Representative Lopes failed.

The original motion carried.

Without objection the Committee meeting adjourned at 9:12 a.m.

Respectfully submitted:

Yvette Medina, Secretary

Lorenzo Martinez, Assistant Director

Representative Tom Boone, Chairman

NOTE: A full tape recording of this meeting is available at the JLBC Staff Office, 1716 W. Adams.

FY 2007 Capital Outlay

State Building Systems

Arizona Department of Administration

- 2,874 facilities
- 20.2 million square feet
- \$2.6 billion replacement value

Arizona Board of Regents

- 911 facilities
- 19.9 million square feet
- \$5.1 billion replacement value

Arizona Department of Transportation

- 1,578 facilities
- 3.5 million square feet
- \$286.3/\$565.8 million replacement value

Capital Budget Components

Building Renewal

- For major maintenance and repair of buildings
- Formula funding requirement based on building age, replacement value and 50-year useful life
- Funded based on available fund sources
- JCCR review of expenditure plans

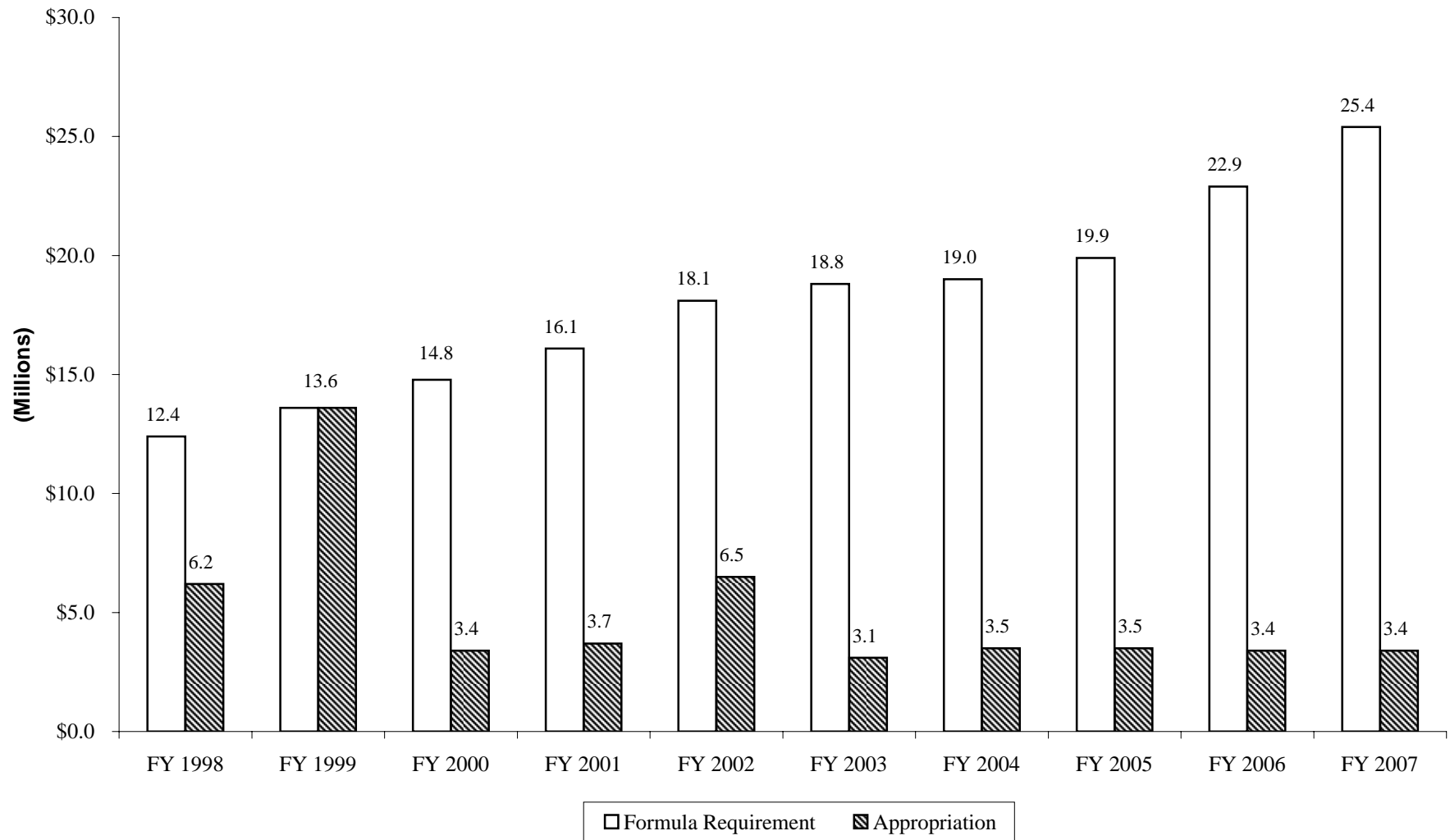
Individual Capital Projects

- Funded on case-by-case basis
- JCCR review of projects over \$250,000

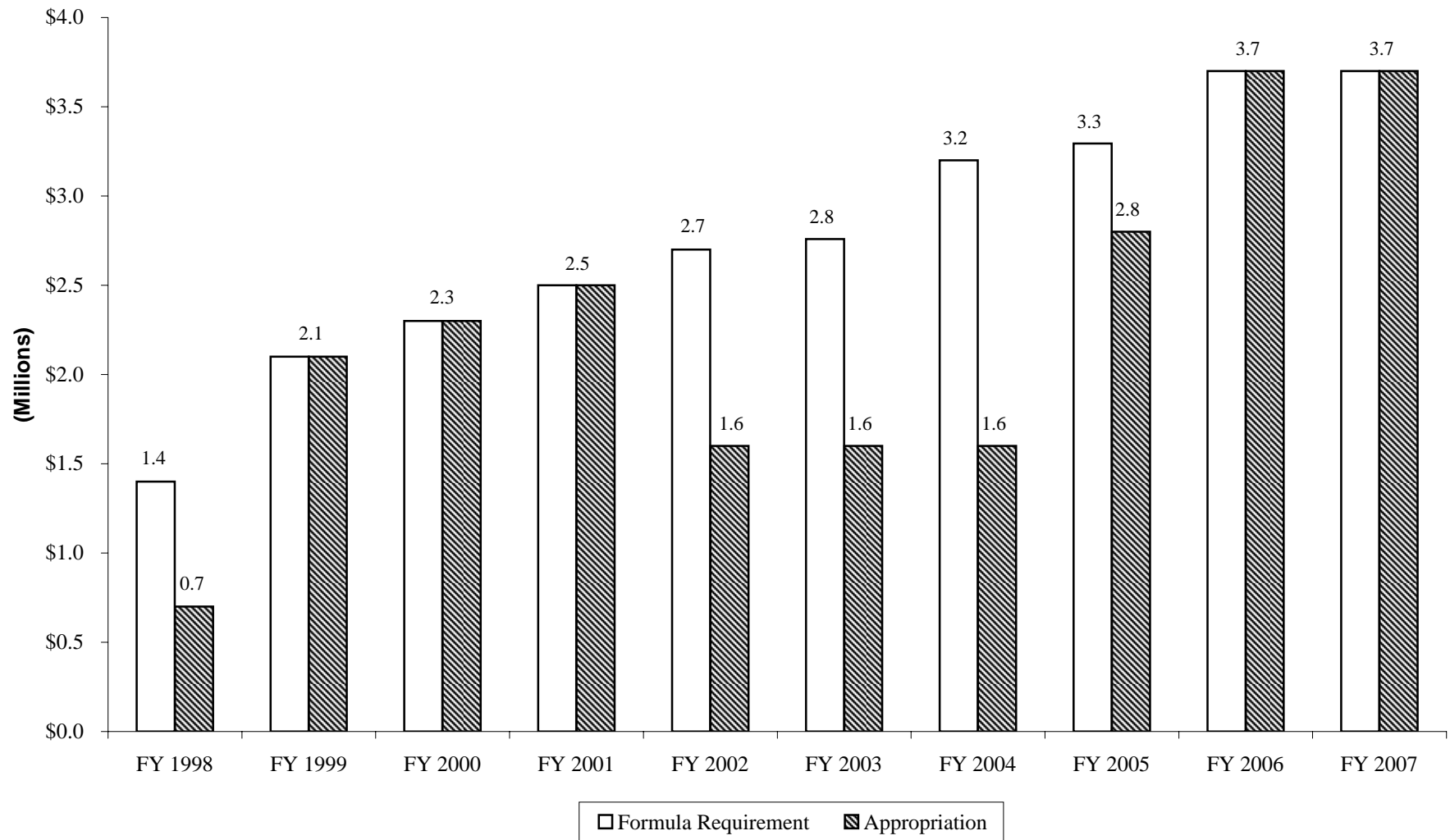
FY 2007 Building Renewal

<u>Agency</u>	<u>Formula Requirement</u>	<u>JLBC Baseline</u>	<u>% of Formula</u>	<u>Executive</u>	<u>% of Formula</u>
Department of Administration	\$25,440,700	\$3,400,000	13%	\$14,837,500	58%
Exposition & State Fair Board	\$1,508,400	\$1,508,400	100%	\$1,508,400	100%
Game & Fish Department	\$430,800	\$430,800	100%	\$393,000	91%
Lottery Commission	\$53,600	\$53,600	100%	\$53,600	100%
Department of Transportation	\$3,702,900	\$3,702,900	100%	\$4,719,100	127%
	\$7,198,500		51%		65%
Board of Regents <u>1/</u>	\$70,188,900				
<u>1/</u> Executive recommends \$2M in ASU and \$2M in NAU operating budgets for building renewal.					

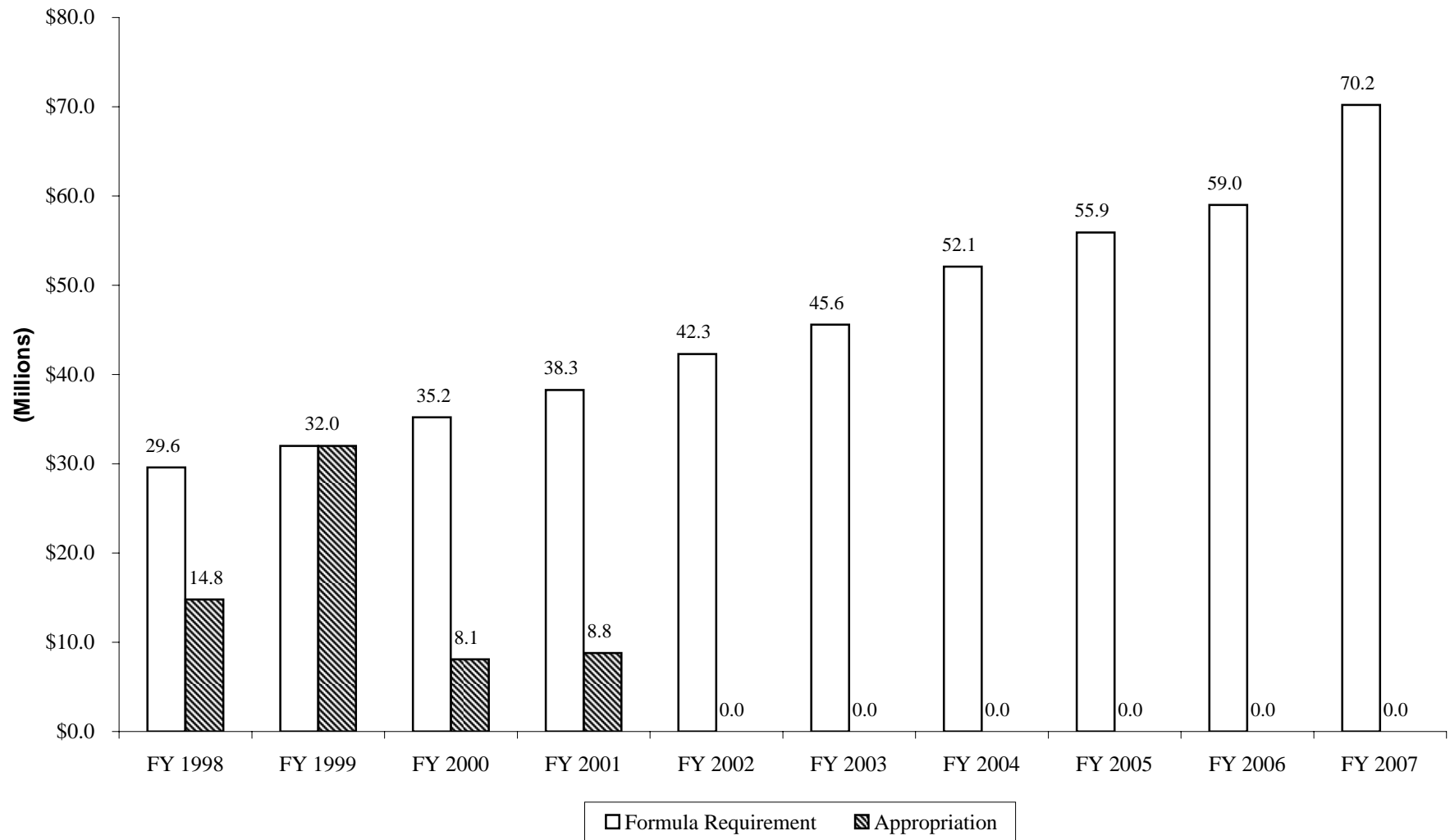
Arizona Department of Administration Building Renewal History



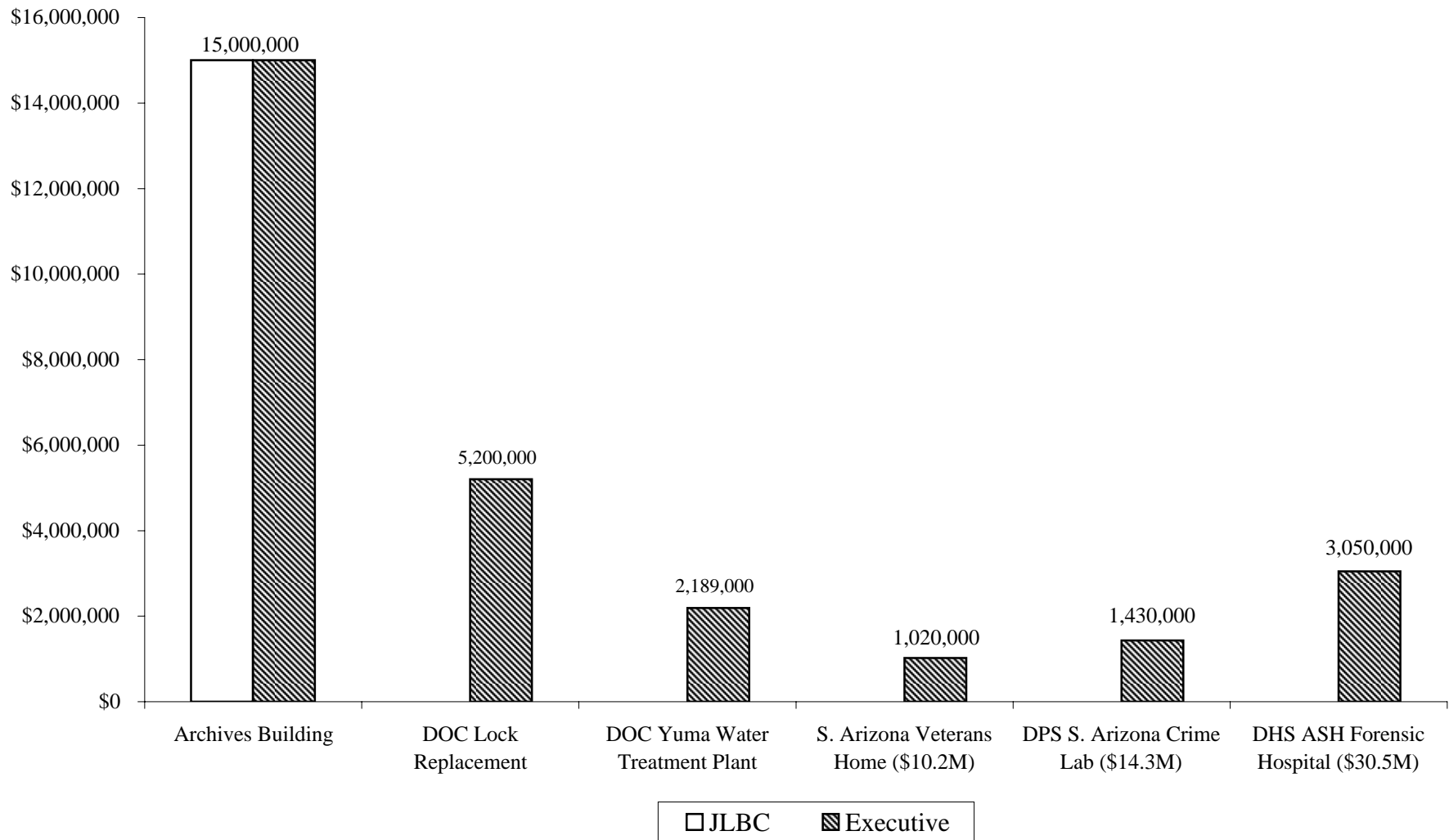
Arizona Department of Transportation Building Renewal History



Arizona Board of Regents Building Renewal History



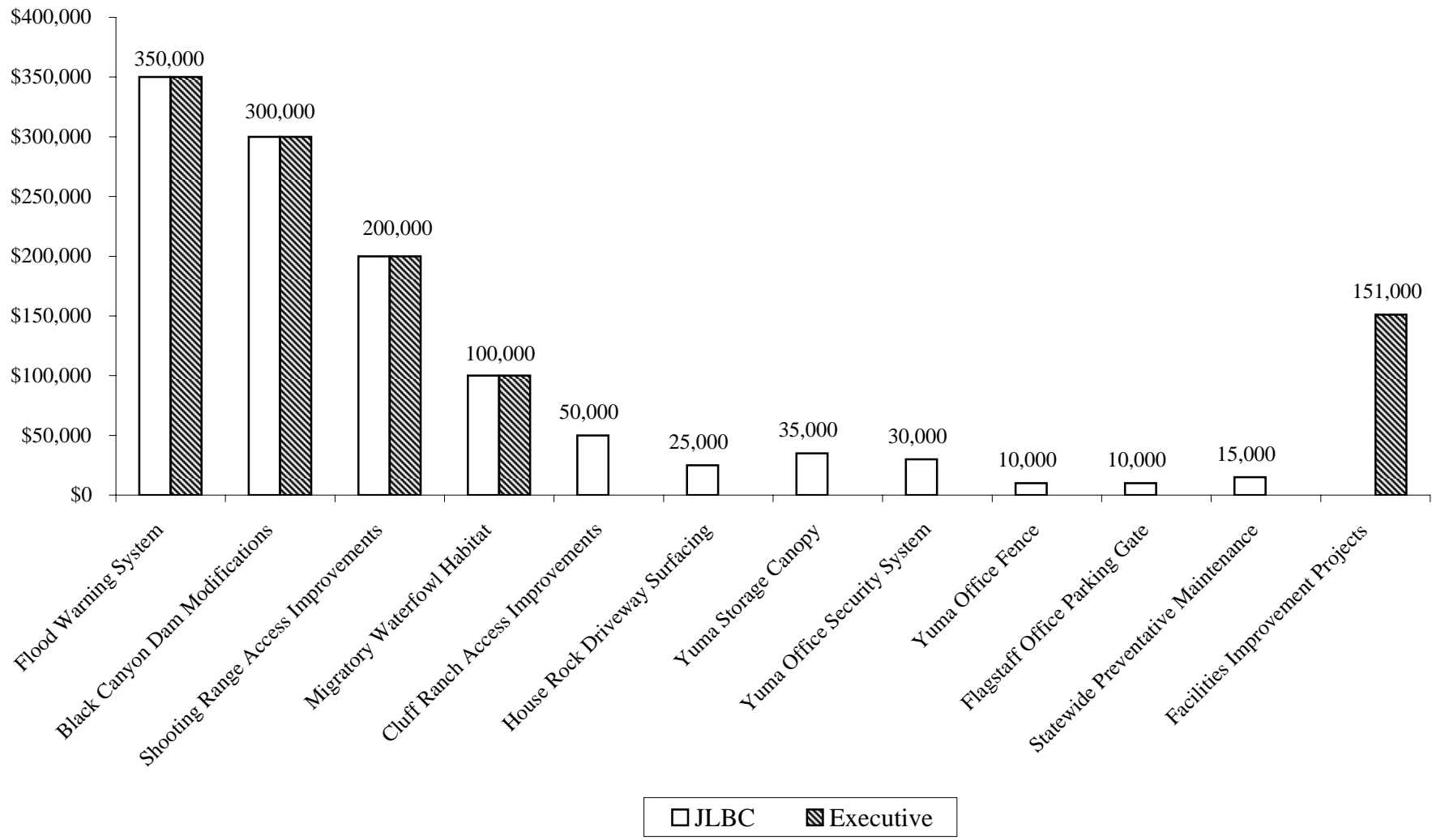
**ADOA Building System
Capital Projects
General Fund**



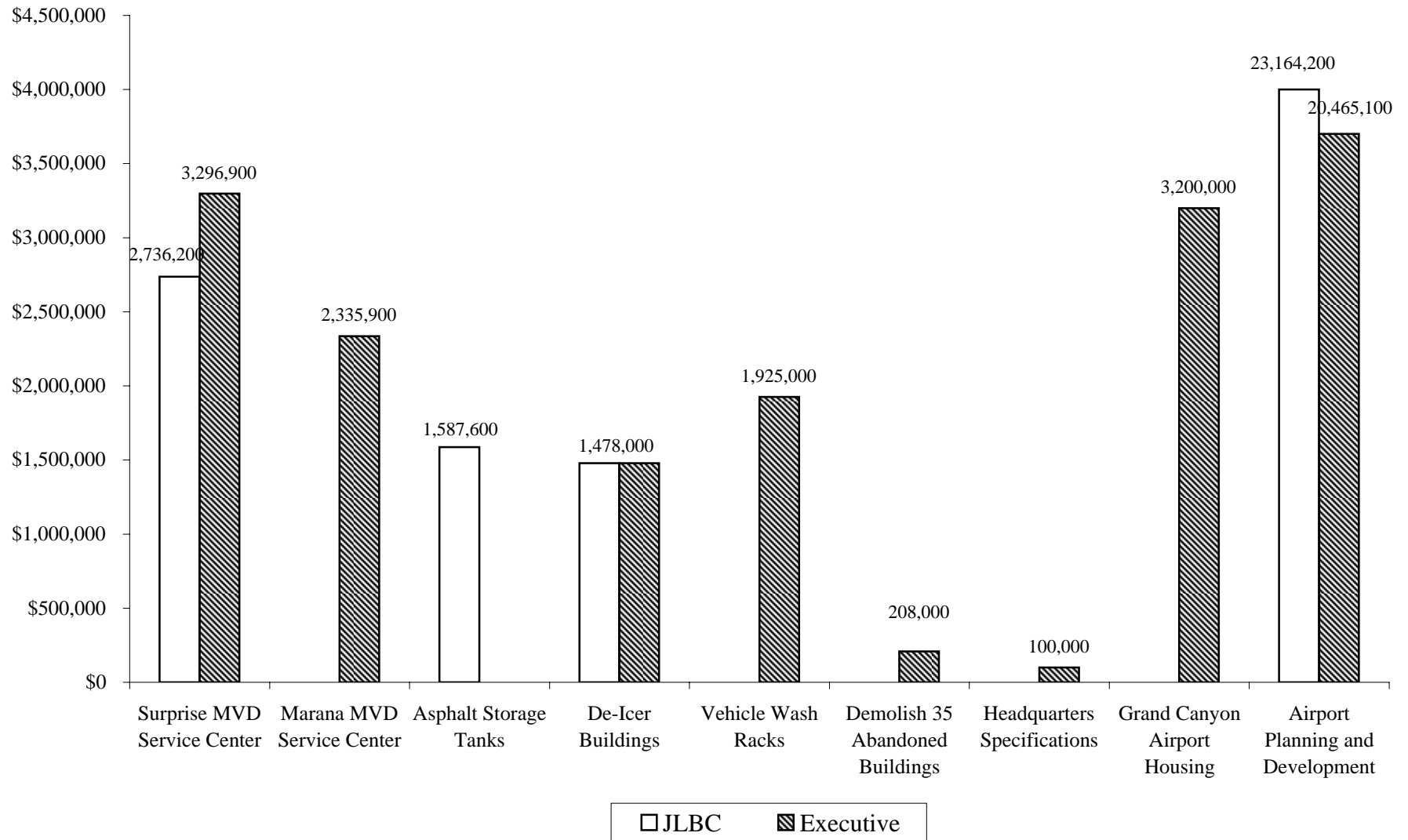
ADOA Building System

Capital Projects

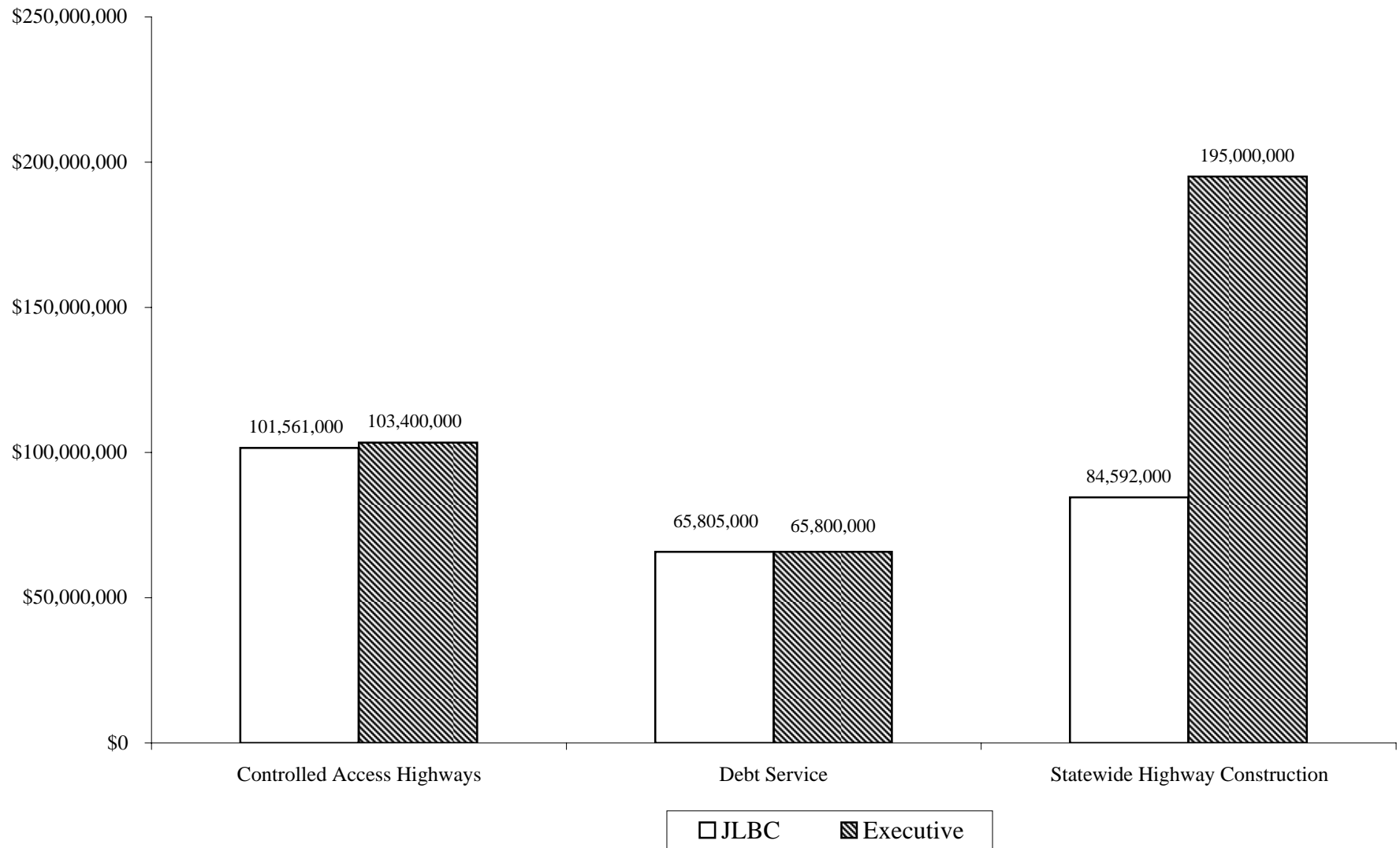
Other Funds



ADOT Building System Capital Projects



ADOT Highway Funding



Enhanced Oversight

- Require Building Renewal Appropriations to revert after 18 months, instead of 27 months.
 - Encourages expedited identification of projects and use of appropriations.
 - Limits number of new projects that can be started with left over monies.
 - Reverted monies would be available for re-appropriation in next fiscal year.
- Require ADOA to contract with consultant to conduct assessment and prioritization of Building Renewal projects.

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DATE: April 12, 2006

TO: Members, Joint Committee on Capital Review

THRU: Richard Stavneak, Director

FROM: Jeremy Olsen, Fiscal Analyst

SUBJECT: Arizona Game and Fish Department – Review of Scope, Purpose, and Estimated Cost of Headquarters Relocation Project

Request

At its February 23, 2006 meeting, the Committee requested the Arizona Game and Fish Department (AGFD) provide additional information regarding the relocation of its agency headquarters from the current Deer Valley site to the Ben Avery property. The department has supplied information related to the relocation in response to this request.

Recommendation

The department plans on financing new facilities through a Privatized Lease-To-Own (PLTO) agreement, and possibly using proceeds from the sale of the Deer Valley property to offset some of the construction costs. A.R.S. § 17-246 requires JLBC approval of installment purchase agreements. The department would finance the lease payments from its tribal gaming proceeds. The tribal gaming ballot proposition, however, allows the department to expend these proceeds without appropriation.

The Committee has at least the following options:

- 1) Favorable review of the relocation of the department's headquarters to the Ben Avery property. The cost of the project is reasonable, and the project uses non-appropriated tribal gaming proceeds which may not be subject to legislative oversight.
- 2) Unfavorable review of the relocation request. The full legislature has not reviewed the project, and it may prefer cash financing of the project. It may also view using 27% of tribal gaming proceeds for an office building as inconsistent with the original intent of the ballot

(Continued)

proposition. If cash financing were used to fund the project, it would require a substantial delay to generate enough funds to pay with cash.

In addition, JLBC Staff recommends the department report to the Committee concerning the future of the Deer Valley parcel when plans for the property are finalized.

Analysis

The department's current headquarters is located on a 17 acre site at 2221 W. Greenway Road in Phoenix, and contains approximately 71,000 square feet of office space and 17,000 square feet of storage space. The site is comprised of two parcels, the first of which is located to the north of Greenway Road and was purchased by the department in 1968, while the second is located south of Greenway Road and is leased from the City of Phoenix.

The new headquarters will be located on approximately 24 acres in the southwestern portion of the Ben Avery property, which is near I-17 and the Carefree Highway. The new facility will include approximately 80,250 square feet of office space, a warehouse which will provide 25,000 square feet of storage space, and an 8,000 square foot vehicle maintenance and fueling facility which will be operated in cooperation with the Arizona Department of Transportation (ADOT). ADOT will not contribute to the costs of construction, but will provide in-kind services by supplying all the equipment and manpower used in the maintenance building.

The new headquarters will combine the two campuses which are divided by Greenway Road, will provide an additional 9,250 square feet of office space, and space for two additions to the office building of 25,000 square feet and 23,000 square feet, which would provide a total of 128,250 square feet of office space at build-out. The new building will also contain a mixture of 75% flex space and 25% hard office space, allowing the department the opportunity to reorganize office space without major structural modifications.

The Ben Avery property also contains a 99-site campground and a shooting range, with facilities for high-powered rifles, clay targets, archery ranges, and moving- target ranges. The department reports the Ben Avery range is the largest publicly operated shooting range facility in the country. The headquarters will be located in a separate area of the Ben Avery property, and will not affect current range operations.

Building elevations and the site plan were completed on January 9, 2006, and approval of schematic design is expected by March 30, 2006. The department anticipates signing lease documents by July 17, 2006 and starting construction by August 1, 2006. Building completion is expected by May 8, 2007, after which the department would relocate to the new facility.

Building Costs

The total cost of construction is expected to be \$16.5 million, and will be financed over a term of 25 years. Payments will increase from \$1.5 million in the first year to \$1.9 million in the final year, for a total estimated cost of \$42.5 million. The \$16.5 million required for the initial cost of the project equates to \$146 per square foot, which is a reasonable cost for a new construction project. Individually, the costs of construction for the administrative space is \$99.54 per square foot, the cost for warehouse space would be \$72.22 per square foot, and maintenance space

(Continued)

would cost \$83.50 per square foot. These costs are for structures only and do not include site work expenses such as grading, paving, utilities, etc. The cost to lease the space will average approximately \$15.01 per square foot per year over the life of the lease. The current lease rate for state owned office space is \$15.50 per square foot.

The headquarters will be financed with a PLTO agreement, in which a private entity will construct a building and lease it to the department. At the end of the lease term, the department takes possession of the building.

Fund Source

The department will use Wildlife Conservation Funds to finance the construction of the buildings. The Wildlife Conservation Fund is a non-appropriated fund which receives revenue from tribal gaming funds paid to the state. A.R.S. § 17-299 establishes the Wildlife Conservation Fund and states: *“The fund is not subject to appropriation, and expenditures from the fund are not subject to outside approval notwithstanding any provision of sections 17-241 or 17-261 or any other statutory provisions to the contrary”* [A.R.S. § 17-299(A)].

Proposition 202, which passed in 2002, reauthorized Indian Gaming and distributed a portion of the proceeds to a number of state funds, including the newly-created Wildlife Conservation Fund. In establishing the Wildlife Conservation Fund, the proposition directed that *“funds shall be spent to ... conserve, enhance, and restore Arizona’s diverse wildlife resources and habitats for present and future generations, and which may include the acquisition of real property”* [A.R.S. 17-299(C)].

The Department of Gaming estimates tribal gaming will generate \$5.5 million in FY 2006. A lease payment of \$1.5 million would amount to 27% of these annual proceeds.

Legal Issues

A.R.S. § 17-246 requires the department to receive approval from the Joint Legislative Budget Committee before entering into any lease or purchase agreement for the purpose of financing or acquiring Game and Fish facilities. It is the department’s interpretation that A.R.S. § 17-299 overrides the provisions of A.R.S. § 17-246 because it was enacted more recently. Although the department does not believe Committee approval is required, they have submitted materials as requested. Legislative Council also believes that approval is not required.

Cash Option

If the department were to pay in cash, it would have to accumulate sufficient funding in the Wildlife Conservation Fund. According to the Department of Gaming, tribal gaming currently will generate approximately \$5.5 million in FY 2006, of which \$1.5 million to \$1.9 million would be set aside for debt service for construction of the Ben Avery headquarters. As a result, construction would have to be delayed for a significant period of time before a sufficient fund balance existed to pay cash for construction.

RS/JO:ym



THE STATE OF ARIZONA
GAME AND FISH DEPARTMENT

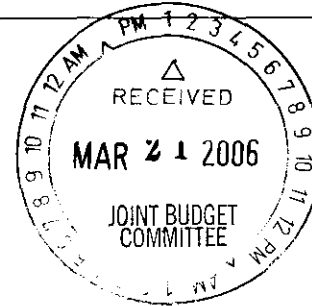
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STEVE K. FERRELL



March 16, 2006

Representative Tom Boone, Chairman
Joint Committee on Capital Review
Arizona House of Representatives
Capitol Complex
1700 W. Washington
Phoenix, AZ 85007-2890



Re: Request for Placement on Joint Committee on Capital Review Agenda – April 2006

Dear Representative Boone:

Pursuant to the Joint Committee on Capital Review (JCCCR) request at the February 23, 2006 meeting, The Arizona Game & Fish Department requests placement on the April 2006 agenda of the JCCR to provide information on the following:

1. Scope, purpose and estimated cost of the Arizona Game and Fish state headquarters relocation project prior to the execution of any financing agreements.

The Department will provide additional materials with regard to the relocation of its headquarters on or before March 31, 2006. This information will further outline the scope, purpose and estimated costs associated with this project.

Attached is a current timeline for major project milestones. Please note that this schedule is dynamic and may shift somewhat as design development progresses.

Sincerely,

Duane L. Shroufe,
Director

DLS:rr

cc: Gary Yaquinto, Director, OSPB
✓Richard Stavneak, Staff Director, JLBC
Lorenzo Martinez, JLBC
Jeremy Olsen, JLBC

Enclosure



ARIZONA GAME AND FISH DEPARTMENT STATE HEADQUARTERS PROJECT

Project Timeline

Notice to Proceed To Selected Development Team	October 12, 2005
Develop Space Programming, Building Elevations and Site Plan	January 9, 2006
Complete Schematic Design Package Review and Approval	March 30, 2006
Design Development Package Review and Approval	May 16, 2006
Contract Documents Complete	May 24, 2006
Owner Review and Approve Guaranteed Maximum Price	July 17, 2006
Finance Closing - Lease Signed	July 17, 2006
Begin Construction	August 1, 2006
End Construction	April 3, 2007
Building Commissioning	April 20, 2007
Substantial Completion	May 8, 2007

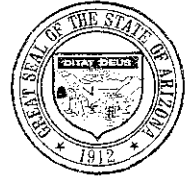
As of March 17, 2006



THE STATE OF ARIZONA
GAME AND FISH DEPARTMENT

2221 WEST GREENWAY ROAD
PHOENIX, AZ 85023-4399
(602) 942-3000 • AZGFD.GOV

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DIRECTOR
DUANE L. SHROUFE
DEPUTY DIRECTOR
STEVE K. FERRELL



March 31, 2006

March 31, 2006

Representative Tom Boone, Chairman
Joint Committee on Capital Review
Arizona House of Representatives
Capitol Complex
1700 W. Washington
Phoenix, AZ 85007-2890

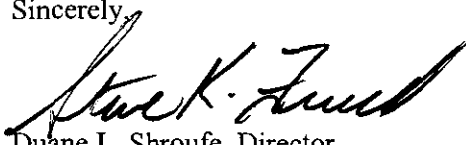
Dear Representative Boone:

At its February 23, 2006 meeting, the Joint Committee on Capital Review (JCCR) requested that the Arizona Game and Fish Department (AGFD) submit the scope, purpose, and estimated costs of the administrative office relocation project to the JCCR before AGFD executes any financing agreements. The attached documents provide the requested information. In addition, we are providing aerial photos of the project location, a comparison of the cost per square foot of the proposed project with similar facilities, and a discussion of our cooperative effort with ADOT to operate our new vehicle maintenance facility.

We are providing these materials for review but approval by either JCCR or JLBC of the project is not required. While we recognize that legislative approval is generally required for a project of this type under A.R.S. §17-246, AGFD is using the Wildlife Conservation Fund (WCF) to finance the acquisition of the project. According to A.R.S. § 17-299, the expenditure of money from the WCF for the acquisition of the project is not subject to outside approval, notwithstanding any other statutory provision to the contrary. Because approval of the project under A.R.S. § 17-246 is a statutory provision that conflicts with the more recently enacted provisions in A.R.S. § 17-299, the financing of this project with monies from the WCF does not require approval of a legislative committee.

We welcome the opportunity to make a presentation at your next meeting and respond to any questions or concerns the committee may have. Please advise whether you need any additional materials in preparation for the meeting.

Sincerely,

(for) 
Duane L. Shroufe, Director
Arizona Game and Fish Department

DLS:rr

cc: Gary Yaquinto, Director, OSPB
Richard Stavneak, Staff Director, JLBC
Lorenzo Martinez, JLBC ✓
Jeremy Olsen, JLBC

Enc.

Arizona
Pioneer
Award for
Quality
2005 Recipient

Arizona Game and Fish Department New Headquarters Facility Briefing for the Joint Committee on Capital Review

Background/Need:

The Arizona Game and Fish Department (AGFD) headquarters currently occupies a 17-acre site in North Phoenix at 23rd Avenue and Greenway Road. Greenway Road bisects the site splitting the campus in half. The Arizona Game and Fish Commission owns the property on the north side while the property on the south side is under a long-term lease with the City of Phoenix. Building construction includes aged facilities dating back to the early 1960's, numerous modular buildings of varying age, as well as a newer building constructed in the early 1990's. Poor facilities condition, the split caused by Greenway Road, lack of critical adjacencies, lack of storage and meeting space, and inconsistent space allocation for staff makes for a poor work environment and a highly inefficient and costly operation. In 2002, AGFD contracted Gould Evans Associates, L.C. to develop a facilities/campus master plan (plan) for the AGFD state headquarters. The final plan proposed the development of a new campus serving the AGFD community and the people of Arizona and assimilated the necessary data and information for completing a facilities design program.

Scope:

AGFD Headquarters

The Arizona Game and Fish Commission (Commission) has selected a qualified private sector development team to finance, design, construct and operate a new headquarters office complex on the Commission owned Ben Avery Shooting Range Facility, west of I-17 on Carefree Highway. The new headquarters facility will not impact current range operations or impede future plans for range development. The facility will include approximately 80,250 square feet of office space (that will be Leadership in Energy and Environmental Design (LEED) silver certified), for up to 300 personnel. The project also includes 25,000 square feet of warehousing and other infrastructure including utilities, grading and drainage, personnel and fleet parking, landscaping, signage, lighting, access roadways, heavy equipment/work yard, fencing and other site development on approximately 24 acres. The lease-purchase agreement will include property operation and management as well as a major maintenance reserve fund to provide life cycle based maintenance and/or replacement of major building system components during the term of the lease.

ADOT Vehicle Maintenance Facility:

Additionally, AGFD is partnering with the Arizona Department of Transportation (ADOT) to incorporate an 8,000 square foot vehicle maintenance and fueling facility into this project. The service facility will have two drive through bays (four work bays), automotive parts and tire

storage and certified technicians capable of maintaining and repairing the Department's work fleet as well as its heavy construction equipment. This facility will save the Department a considerable amount of time and money and will benefit the Department by offering convenient, on-site priority access to a full service facility for scheduled maintenance, vehicle repairs and warranty service. A fueling depot will provide the Department with readily accessible fuel at a decreased cost over commercial pumps. In turn, ADOT will be able to provide more convenient vehicle service options for other state agencies by expanding its enterprise service territory in the far north valley.

Development Team:

The primary development team consists of the following entities:

Developer/Property Manager.....	Lincoln Property Company
Financing	Piper Jaffray
Architect	Will Architects
General Contractor	Sundt Construction

Financing/Estimated Cost:

To accomplish this project, the (Commission) is pursuing a lease-purchase financing structure similar to the one utilized by the Department of Administration and the Department of Environmental Quality whereby the lessor will offer the following:

- Annual payments that are competitive with or below current market values for rentable space of comparable facilities within the same locale, assuming a nominal, concurrent lease of Commission owned land to the Lessor and any associated tax exemptions (rental tax, etc.) that may be applicable.
- Long-term protection of assets by addressing major maintenance obligations (based on a detailed life cycle replacement schedule) through a funded maintenance account.
- Professional property management including custodial services, supplies procurement, preventive maintenance, run to fail replacements, energy management strategies, inspections and monitoring.

The total estimated cost for this project is \$16.5 million. Annual lease payments are estimated at \$1.5 million in year one to approximately \$1.9 million in year twenty-five, which equates to a competitive lease rate of approximately \$14.40 to 16.91/sq.ft/year.

In addition, the Commission is considering the utilization of proceeds from the sale of the current facility to offset the loan.

Project Timeline:

The following timeline is taken from the general contractor's project schedule that is updated regularly based on actual progress and more detailed information developed as the design phase progresses.

Notice to Proceed To Selected Development Team	October 12, 2005
Develop Space Programming, Building Elevations and Site Plan	January 9, 2006
Complete Schematic Design Package Review and Approval	March 30, 2006
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BLM Lands

FIGURE 1 - BEN AVERY SITE MAP

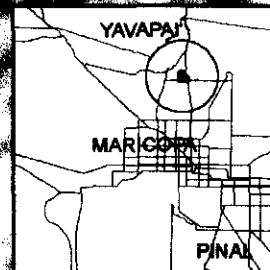
Ben Avery Shooting Facility

Development Footprint

○ New Facilities

BLM
BMP
Lands

Federal Prison



0.125

0.5

Miles

State Trust Lands

To Flagstaff

INTERSTATE I-17

To Phoenix

Sporting Clays
Course

Archery Range

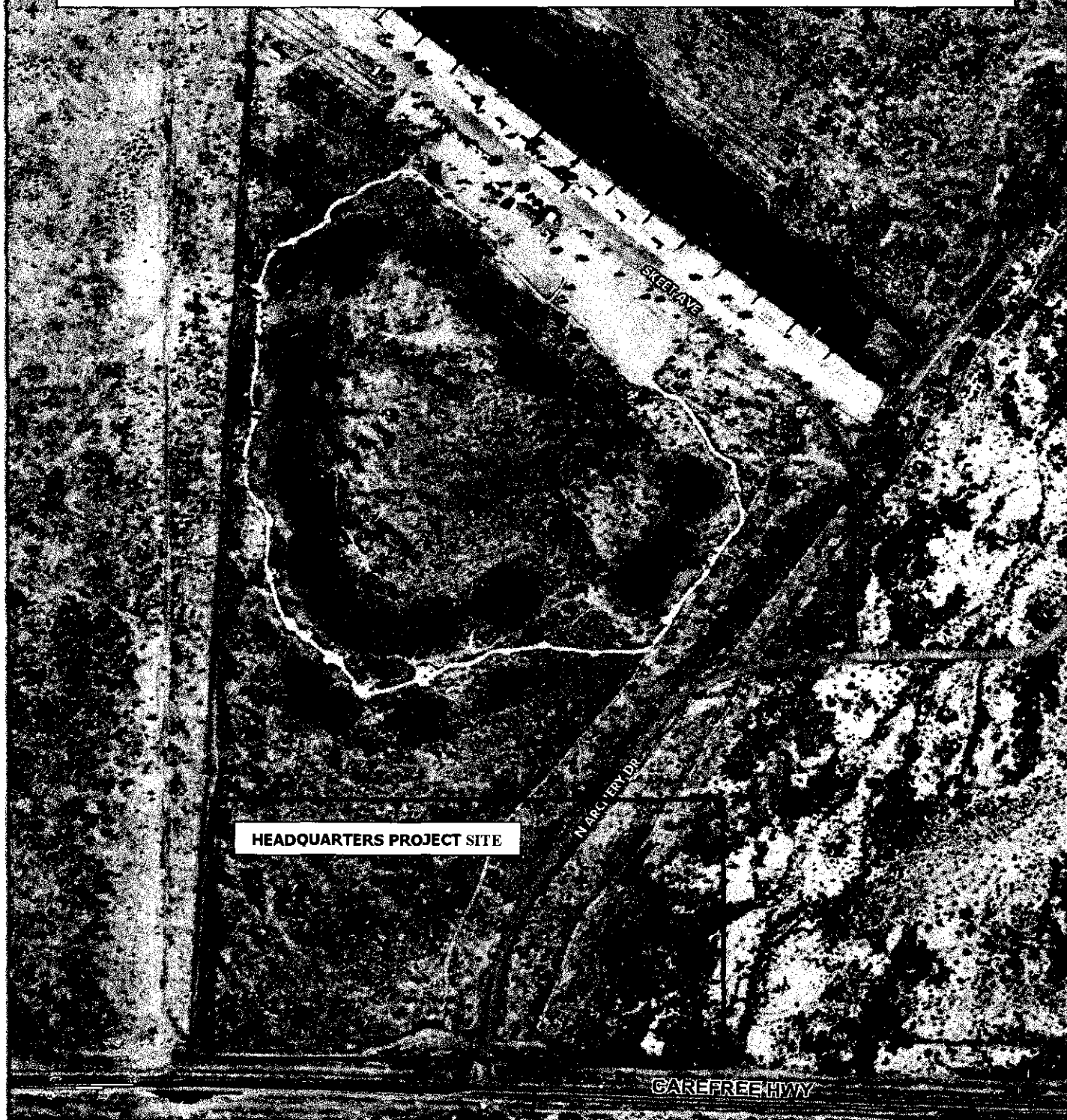
11/22/2005

To Lake Pleasant

Carefree Highway

Main Entrance

**AERIAL PHOTO OF ARIZONA GAME AND FISH HEADQUARTERS
PROJECT SITE AT SOUTHWEST CORNER OF BEN AVERY SHOOTING FACILITY
(APPROXIMATELY 1 MILE WEST OF I-17 ON CAREFREE HIGHWAY)**





LINCOLN
PROPERTY
COMPANY

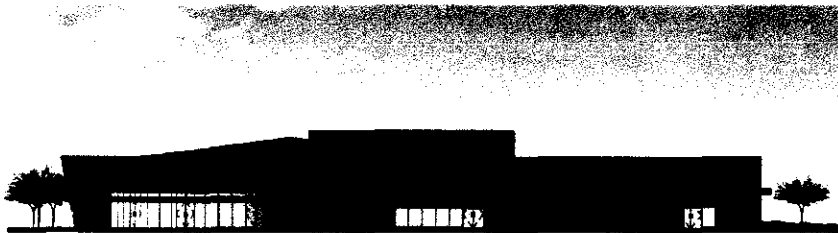


ARIZONA GAME & FISH DEPARTMENT





SOUTHEAST ELEVATION
SCALE : 1/16" = 1'-0"



NORTHEAST ELEVATION
SCALE : 1/16" = 1'-0"



SOUTHWEST ELEVATION
SCALE : 1/16" = 1'-0"



NORTHWEST ELEVATION
SCALE : 1/16" = 1'-0"

COLOR LEGEND			
ALL COLORS ARE BLIND FINISHES PAINT			
① WHITE	⑤ WHITE	⑥ WHITE	⑦ WHITE
② WHITE	⑧ WHITE	⑨ WHITE	⑩ WHITE
③ WHITE	⑪ WHITE	⑫ WHITE	⑬ WHITE
④ WHITE	⑭ WHITE	⑮ WHITE	⑯ WHITE



ARIZONA GAME & FISH DEPARTMENT
PHOENIX, ARIZONA



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Suite 170
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STATE OF ARIZONA

Joint Committee on Capital Review

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HOUSE OF
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AMANDA AGUIRRE
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RUSSELL K. PEARCE
STEPHEN TULLY

DATE: April 7, 2005

TO: Senator Robert Burns, Chairman
Members, Joint Committee on Capital Review

THRU: Richard Stavneak, Director

FROM: Amy Strauss, Fiscal Analyst

SUBJECT: Yuma-La Paz Community College District - Review of General Obligation Bond Issuance

Request

Yuma-La Paz Community College District requests the Committee review its proposed \$53.9 million General Obligation (GO) bond issuance. The board was authorized by a November 2004 bond election to issue a total of \$73.9 million in bonds. The \$73.9 million from the bond proceeds would be combined with \$4.7 million from other sources for a total of \$78.6 million. At its August 17, 2004 meeting, the Committee gave a favorable review to the entire \$73.9 million bond proposal, with the provision that the district return for Committee review prior to each actual bond issuance. At its May 10, 2005 meeting, the Committee gave a favorable review to the first issuance of \$20 million in June 2005, with the provision that they submit the remaining \$53.9 million prior to issuance. The district plans to issue the remaining \$53.9 million in June 2006.

Recommendation

The JLBC Staff recommends that the Committee give a favorable review of the request to issue the remaining \$53.9 million in bonding authority in FY 2006. Over a 25-year period and with an estimated interest rate of 5%, total interest payments would equal \$43.4 million. Total debt service would be approximately \$97.2 million.

The first annual payment for the \$53.9 million issuance is \$3 million. Combined with the annual payment on the 2005 \$20 million issuance of \$0.8 million and existing prior debt service requirements of \$1.8 million, total debt service in FY 2007 would be \$5.6 million. From FY 2007 to FY 2009, the average debt service annual payment would be \$5.8 million, which consists of \$3 million for the \$53.9 million issuance, \$1 million for the \$20 million issuance, and \$1.8 million for older debt that expires in 2009. Beginning in FY 2010 and continuing until the final payment in FY 2031, the annual payment would be \$5.3 million.

(Continued)

Analysis

Projects

Tables 1 and 2 provide a summary of both new and renovated projects, which will be funded by proceeds from the \$53.9 million issuance and the initial \$20 million issuance. The Committee favorably reviewed the Main Campus projects listed under Table 1 in May 2005. These projects were started with the initial \$20 million issuance. The total amount of projects listed, \$78.6 million, is greater than the \$73.9 million dollar amount the board has been authorized to issue. The district has indicated that the additional funds will be provided by the district and the Arizona Western College Foundation. Of the total, \$62.2 million would be allocated for project costs, \$7.6 million for furniture and equipment, \$5.5 million for architecture and engineering, and \$3.3 million for contingency funding.

Table 1			
Project Expenditures			
<i>Main Campus</i>	Project Cost (\$ in millions)	Square Feet	Cost Per Sq. Ft
Science & Agricultural Complex	\$23.9	79,307	\$224
Child Development Learning Lab	2.5	7,735	279
Extend Campus Infrastructure	2.1	--	--
College Community Center	26.9	104,127	208
<i>Remote Site</i>			
San Luis Learning Center	5.2	20,000	188
East County Learning Center	5.2	20,000	188
LaPaz (Quartzsite) Learning Center	<u>1.5</u>	<u>5,000</u>	<u>216</u>
TOTAL	\$67.3	236,169	\$285

Table 2			
Renovated Project Expenditures			
	Project Cost (\$ in millions)	Square Feet	Cost Per Sq. Ft
Science & Chemistry Renovations	\$2.2	17,799	\$95
Student Services Renovation	1.8	13,914	95
Administration Renovation	1.0	7,446	95
LaPaz (Parker) Renovation	<u>6.3</u>	<u>25,000</u>	<u>189</u>
TOTAL	\$11.3	64,159	\$176

The projects would add approximately 300,000 new square feet to the district. The estimated average cost per square foot is \$262. As a point of comparison, recent new construction projects submitted to the Committee for review by Pinal Community College District had an average cost per square foot of \$284. Given the similarity in costs per square foot between the districts, the estimates for new construction in Yuma-La Paz appear reasonable.

To complete its projects, the district plans to use a design-bid-build procurement process.

(Continued)

Financing

The \$53.9 million issuance would have a 25-year repayment term. The FY 2007 payment for this issuance would equal \$3 million. In future years, the average debt service amount would be \$4 million, with the final payment in FY 2031.

In addition to the debt service payment associated with the new issuance, the district also has debt service for \$20 million in bonds issued in June 2005 and older bonds that will be retired in FY 2010. Including amounts for prior issuances and the new \$53.9 million issuance, the total district FY 2007 debt service payment is estimated to be \$5.6 million.

To make the debt service payments associated with the new \$53.9 million issuance, the district estimates an average increase of 30¢ in the secondary property tax rate over the life of the bond. This would result in approximately \$30 in additional taxes for every \$100,000 of house value.

To determine the level of tax rates necessary to make the debt service payments associated with the new issuance, the district has assumed annual Secondary Net Assessed Valuation (NAV) growth of 7% from FY 2008 to FY 2010, 4% for FY 2011 through FY 2013, and 2% in the following years. Since the actual tax rate for each year is calculated based on actual Secondary NAV, the actual tax rates required to fund the debt service payments will depend on future NAV growth. Over the past 10 years, Secondary NAV in Yuma-La Paz has grown by an average of 5%. The district is predicting a jump in NAV, specifically a growth rate of 26.9% from 2006 to 2007, which is the rationale behind the assumed 7% growth rate for years 2008-2010.

Total outstanding debt for the district is currently \$28.7 million, including \$28.4 million from GO bonds and \$0.3 million from revenue bonds. The Arizona Constitution limits the amount of outstanding GO debt the district may incur to 15% of the district's total Secondary NAV. Currently, the district's outstanding GO debt is equal to approximately 3.2% of its Secondary NAV.

RS:AS:ss



MAR 17 2006

March 16, 2006

Ms. Amy Strauss, Fiscal Analyst
Joint Legislative Budget Committee
1716 West Adams Street
Phoenix, Arizona 85007

Re: Proposed Sale of GO Bonds, June 2006

Dear Ms. Strauss:

This letter is to request that the District be placed on the agenda of the Joint Committee on Capital Review in April or May of 2006.

Background:

The Yuma/La Paz Counties Community College District (Arizona Western College, AWC) was authorized by the voters of our service district in November 2004 to sell General Obligation Bonds totaling \$73,850,000. AWC received a favorable review in May 2005 from JCCR to issue \$20,000,000 in bonds in June 2005, with the provision that AWC submit the remaining \$53.9 million prior to issuance.

Current Status:

AWC sold the bonds in June 2005 at an average rate of 4.3%, which was less than the estimated interest rate of 5%. AWC, in concert with its architects Gould-Evans, has been developing the construction drawings and specifications for its Phase 1 projects. These projects are the Science and Agricultural Complex, Child Development Learning Lab, College Community Center and extending campus infrastructure. These projects will go out to bid on May 1, 2006 and we intend to award a construction contract on June 13, 2006. It is estimated that these projects will cost \$53,000,000. The District hired another architectural firm in February 2006 to begin working on the 20,000 square-foot San Luis Learning Center that was also approved in the bond.

Arizona Western College is now ready to issue the remaining \$53,850,000 of bonds in June 2006. The issue will have a 25-year term.

Please let me know if there is any other information you want to review. You can reach me at 928-344-7515, 7 a.m. to 5 p.m., Monday through Thursday.

Sincerely,

Daniel D. Hann, CPA
Vice President for Business
and Administrative Services

DDH/lsm

STATE OF ARIZONA

Joint Committee on Capital Review

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RUSSELL K. PEARCE
STEPHEN TULLY

DATE: April 12, 2006

TO: Members, Joint Committee on Capital Review

THRU: Richard Stavneak, Director

FROM: Leah Ruggieri, Fiscal Analyst

SUBJECT: Arizona State Parks – Review of State Lake Improvement Fund Projects

Request

At its February 23, 2006 meeting, the Committee requested the State Parks Board provide additional information regarding the appropriate level of funding in FY 2006 for administrative expenses from the State Lake Improvement Fund (SLIF), its specific proposal to allocate \$150,000 in SLIF monies for State Parks projects, and the use of pricing guidelines for equipment to ensure that local governments receive comparable grants for comparable equipment.

Recommendation

Concerning the appropriate level of funding for administrative expenses from SLIF, the Committee has at least the following two options:

- 1) A favorable review of the Parks Board proposal to expend \$4 million for administrative expenses from SLIF in FY 2006. This level of administrative expenditures would provide a \$900,000 increase from FY 2005 expenditures of \$3.1 million.
- 2) Recommend that the Parks Board limit SLIF funding for administrative expenses to \$3.7 million, which is the maximum amount the Parks Board expects to expend in FY 2006. This change would make an additional \$300,000 available for SLIF grants and projects.

This memo also includes a summary of the Parks Board response on the Committee's other questions.

(Continued)

Analysis

Funding for Administrative Expenses

In FY 2005, the Parks Board budgeted \$4 million from SLIF for administrative expenses and expended \$3.1 million. The unexpended \$900,000 was the result of savings in several areas:

- \$640,900 from six vacant positions.
- \$92,100 in delayed information technology initiatives.
- \$65,900 in delayed marketing surveys.
- \$61,300 in indirect costs.
- \$20,400 from a temporary cessation of the grant program.
- \$28,300 in miscellaneous expenses.

In FY 2006, the Parks Board again budgeted \$4 million for administrative expenses, but expects to expend at most \$3.7 million. This represents a \$600,000 increase above the \$3.1 million expenditure level in FY 2005. This increase is mostly due to a lower level of vacancy savings, which are expected to be \$300,000 in FY 2006 compared to \$640,900 in FY 2005. Also, the grant program resumed in FY 2006, and therefore savings in this area will not occur again in this fiscal year. Additionally, the Parks Board plans to conduct marketing surveys and implement information technology initiatives delayed in FY 2005. In the last quarter of FY 2006, the Parks Board plans to expend \$250,000 from the marketing budget on the visitor survey delayed from FY 2005, a rock climbing survey, partnerships and promotions, general advertising and distribution of marketing materials. The Parks Board will also expend \$170,000 from the administration and computer support budget for a disaster recovery plan, GITA IT infrastructure requirements and encryption standards, HRIS compliance and on the Park Asset Management System.

SLIF Statewide Boating Parks Safety Equipment and Materials

The Parks Board's initial submission to the Committee at its February 23, 2006 meeting allocated \$150,000 from SLIF for State Parks projects. The Parks Board does not have a specific proposal for the expenditure of these monies, though they do plan to expend these funds to address unplanned emergencies at boating parks. Historically, SLIF funding approved by the Committee for State Parks projects have typically been used for unplanned emergencies. The majority of SLIF expenditures for State Parks projects have been for the purchase or repair of water, wastewater, fire, law enforcement or first aid equipment.

SLIF Grant Pricing Guidelines

The Parks Board's initial submission to the Committee at its February 23, 2006 meeting allocated \$2.4 million from SLIF to local governments for purposes such as the purchase of law enforcement watercraft. The Committee requested the Parks Board report back on the use of pricing guidelines for equipment to ensure that local government receive comparable grants for comparable equipment.

SLIF grant applications require applicants to estimate the price of proposed equipment purchases. In the grant evaluation process, State Parks staff, the Arizona Outdoor Recreation Coordinating Commission and the Parks Board assess whether the estimate is appropriate. The Arizona State Parks Administrative Guidelines for Awarded Grants requires all procurement transactions to be accomplished according to a grantee's procurement standards, therefore the procurement transactions

(Continued)

with SLIF grant monies will vary among local governments to the extent that their procurement standards vary. The State Parks Board does require that all Requests for Quotes documents be submitted for review and approval prior to releasing and any request for bids for equipment. A copy of bids or quote lists for equipment must also be submitted. Ultimately, State Parks only reimburses eligible expenditures, which must be supported with appropriate documentation, included within the project's approved scope of work. The amount dispersed to the applicant is the actual cost of the equipment or the estimated cost specified in the participant agreement, whichever is less.

RS/LR:ym



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

March 8, 2006

Representative Tom Boone, Chair
Joint Committee on Capital Review
Arizona House of Representatives
1700 West Washington
Phoenix, Arizona 85007

MAR 16 2006

Janet Napolitano
Governor

RE: State Lake Improvement Fund Information Request

**State Parks
Board Members**

Dear Representative Boone:

**Chair
William C. Porter**
Kingman

On behalf of the Arizona State Parks Board, I submit the attached information as requested by the Joint Committee on Capital Review. A brief overview of the information submitted may be helpful.

William Cordasco
Flagstaff

Arizona State Parks has typically set aside a small amount of SLIF capital for emergency repair or equipment replacement. Of the \$2 million for SLIF capital, \$100,000 has proven to be a reasonable amount. ASP has attached the expenditures over the last few years from this account to demonstrate the need for these monies. At this time, ASP has no specific proposal for these funds.

Janice Chilton
Payson

William C. Scalzo
Phoenix

Every governmental unit has its own set of procurement guidelines. ASP makes every effort to ensure worthy projects are funded adequately despite the constraints each governmental unit faces in honoring their individual procurement rules and regulations. The amount dispersed to the applicant is the actual cost of the equipment or the estimated cost specified in the participant agreement, whichever is less.

Elizabeth Stewart
Tempe

John U. Hays
Yarnell

Mark Winkleman
State Land
Commissioner

Finally, the level of SLIF funding for administrative expenses has not changed from FY 2005 to FY 2006. FY 2005 actual expenditures were lower than budgeted mainly due to vacancy savings and the delay of a few major purchases. These one-time savings are delineated in the attachment.

Kenneth E. Travous
Executive Director

Should you have any further questions on the State Lake Improvement Fund, please contact Jay Ziemann, Assistant Director, at (602) 542-7104.

Arizona State Parks
1300 W. Washington
Phoenix, AZ 85007

Tel & TTY: 602.542.4174
www.azstateparks.com

800.285.3703 from
(520 & 928) area codes

General Fax:
602.542.4180

Director's Office Fax:
602.542.4188

Sincerely,

Kenneth E. Travous
Executive Director

KET/rbo

Enclosures

cc: Senator Bob Burns, Vice-Chair, Joint Committee on Capital Review
Richard Stavneak, Director, Joint Legislative Budget Committee
Leah Ruggieri, Fiscal Analyst, Joint Legislative Budget Committee ✓
Gary Yaquinto, Director, Office of Strategic Planning and Budgeting
Marcel Benberou, Fiscal Analyst, Office of Strategic Planning and Budgeting ✓

SLIF Statewide Boating Parks Safety Equipment and Materials

Of the \$2 million in capital projects normally submitted to the JCCR for review, ASP has typically set aside a small amount for unanticipated emergencies that deal primarily with health and safety issues. As these are typically unplanned for emergencies, ASP has no specific proposal on how exactly these funds would be spent.

ASP has attached three years of expenditures from this account to justify the amount and type of expenditure. ASP is looking to increase this amount to \$150,000 as the lack of capital funds since FY 2002 will most likely increase the need for these funds. This lack of funds is the result of \$22.8 million swept to the General Fund and \$1.9 million being used for operations in prior years.

The attached list documents that the vast majority of expenditures are the purchase or repair of water, wastewater, fire, law enforcement or first aid equipment.

SLIF Grant Pricing Guidelines

The Arizona State Parks Board, through the State Parks Grants Sections, is responsible for the administration of State Lake Improvement Fund (SLIF) grant applications and approved projects. This is accomplished through the development of application guidelines and a priority rating system, the execution of participant agreements with grantees, and the subsequent monitoring of expended project work and grant expenditures. To assist the Board with this responsibility, staff works with the Arizona Outdoor Recreation Coordinating Commission (AORCC) to develop application policies and criteria for the equitable distribution of grant funds.

Arizona State Parks relies on the expertise of their staff to review and administer grant applications. It is staff's responsibility to ensure fair and equitable treatment for all persons dealing with the system. When reviewing projects, the applicant's state of site-specific need and compliance is taken into consideration.

Pursuant to the Arizona State Parks Administrative Guidelines for Awarded Grants, procurement transactions must be accomplished according to the participant's procurement standards. State procurement standards issued by the Arizona Department of Administration, State Procurement Office apply to all non-governmental entities to the fullest extent possible. Furthermore, State Parks requires that all Requests for Quotes (RFQ) documents be submitted to State Parks for review and approval prior to releasing any request for bids for equipment. A copy of bids or quote lists for equipment requiring competitive bidding must be submitted to State Parks.

State Parks only reimburses eligible expenditures included within the project's approved scope of work. All expenditures must be supported with appropriate documentation. So a SLIF applicant would estimate what a piece of equipment might cost in their application. In the grant evaluation process, State Parks staff, AORCC and the Parks Board assesses whether that estimate is appropriate. But no SLIF funds are dispersed to the applicant until they have actually purchased the actual piece of equipment, subject to the state

procurement process. The amount dispersed to the applicant is the actual cost of the equipment or the estimated cost specified in the participant agreement, whichever is less.

FY 2005 SLIF Administrative Savings

Of the \$4 million budgeted for FY 2005, \$908,864 was not expended. This savings is delineated as follows:

Vacancy Savings - \$640,900

There are currently six vacant positions,

- Waster-water Intern
- Water Intern
- Fiscal Services Technician
- Planner II
- Campground Reservation System
- Landscape Architect,

The total budgeted PS/ERE salary for these positions is \$182,265, just slightly more than the pay raise in HB 2661.

All Other Operating Expenditure savings were achieved by the following departments.

• Administration – Computer Support	\$92,100
• Agency Indirect Costs	\$61,300
• Resource Management	\$1,000
• Director's Office	\$6,200
• Marketing	\$65,900
• Partnerships	\$20,400
• Advisory Committee Travel	\$6,900
• Parks Development	\$7,500
• Kartchner Operations	\$6,700

ASP does not endorse expending funds at year end to ensure all funds are expended. As many of our funds remain at untenable levels, savings is encouraged. Many of the AOOE savings listed above are minor and may reflect one-time savings or vacant positions not needing the funds in FY 2005. Explanation for a few of the larger items is as follows:

Due to the uncertainty of the budget and the numerous requirements to upgrade our systems to accommodate HRIS and other information technology initiatives, computer support funding was held back to ensure funds were available for these critical projects. In FY 2006, \$44,300 was used to pay for the Kartchner Caverns Internet Reservation System. These funds replaced the Reservation Surcharge Fund revenues which had to be reverted in the middle of the project.

Enclosure

Marketing Funds were not fully expended as two surveys were delayed in FY 2005. These surveys were the Visitor Survey and the Patagonia Lake Usage Survey. The Visitor Survey is being conducted in FY 2006, which is part of the ASP Budget Performance Measures. In addition, a rock climbing survey is being planned to help aid in the development of the rock climbing park as proposed in HB 1550?

Partnership savings resulted from reduced travel, audits and appraisals due to the cessation of the grant program. With grants again being awarded, increased expenditures will be required to adequately monitor the program.

ARIZONA STATE PARKS

SLIF - STATEWIDE - BOATING PARKS SAFETY EQUIPMENT & MATERIALS						
Expenditures FY2004, FY2005, and FY2006 (through February)						
TRANS. DATE	PROJECT NO	VENDOR / TRANSACTION	DOC#	AMOUNT EXPENDED	PARK	ACTIVITY DESCRIPTION
FY2004						
7/8/2003	740112	UNIVAR USA	204S0007	871.72	BUCKSKIN	Water treatment chemicals
7/8/2003	740112	CASUAL LIVING POOL & PATIO	204S0009	283.31	BUCKSKIN	Chlorine, acid W/WW plant
7/10/2003	740116	FAMILIAN NW WILLING PUMP	204S0019	2,311.20	FOOL HOLLOW	Grinder pump
8/4/2003	740112	SANDPOINT MARINA	204S0044	165.00	CATTAIL	Repair Sea-Doo
8/4/2003	740116	PROPELLER COMPANY	204S0045	269.63	CATTAIL	Boat propellers
8/5/2003	740112	CASUAL LIVING POOL & PATIO	204S0046	64.19	CATTAIL	Chlorine, acid W/WW plant
8/7/2003	740116	B OF A (WEST MARINE)	2PCD4001	823.17	LAKE HAVASU	Personal floatation devices
8/14/2003	740116	PROCOMM	204S0050	3,058.31	PATAGONIA	Radios & battenes
8/14/2003	740116	PURCELL TIRE	204S0051	514.26	ALAMO	Tires/tubes boat ramp truck
8/25/2003	740116	USE TAX (N W WILLING PUMP)	JTSF4008	95.65	FOOL HOLLOW	Grinder pump
8/25/2003	740116	USE TAX (N W WILLING PUMP)	JTSF4008	64.40	FOOL HOLLOW	Grinder pump
8/25/2003	740116	USE TAX (AMERICAN DELPHI)	JTSF4008	160.16	LAKE HAVASU	Fish grinder
8/26/2003	740112	SHERWIN-WILLIAMS	204S0058	991.66	CATTAIL	Paint for boat camp facilities
9/9/2003	740112	B OF A (DAVES CASH & CARRY	2PCD4002	203.55	CATTAIL	Marine carpet for pontoon trailer
9/12/2003	740112	VOYAGER (GROWERS OIL)	204S0069	130.00	ALAMO	Mount tractor tires
9/12/2003	740112	WESTERN SAFE	204S0071	582.39	CATTAIL	Padlocks for boat camp sites
9/19/2003	740116	AZ STATE LAND DEPARTMENT	20441169	936.72	ALAMO	Fire hoses & nozzles
9/29/2003	740112	CASUAL LIVING POOL & PATIO	204S0079	48.14	CATTAIL	Chlorine, acid W/WW plant
9/29/2003	740112	GAINES MARINE	204S0080	505.45	LAKE HAVASU	Repair vandalism to boat
9/29/2003	740112	SANDPOINT MARINA	204S0081	71.43	CATTAIL	Repair Sea-Doo
9/29/2003	740112	SCHULZKUMP WELDING	204S0082	150.44	CATTAIL	Repair pontoon skip plates
10/1/2003	740116	GRAINGER TRS EXP FR 740112	G04S0083	413.18	ROPER LAKE	Motor-water pressure pump
10/2/2003	740112	MCATLIN ELECTRICAL	204S0087	673.28	BUCKSKIN	W/WW plant repair parts
10/2/2003	740116	HUGHES SUPPLY	204S0086	983.49	BUCKSKIN	Effluent pump
#####	740112	B OF A (LESLIE SWIM POOL)	204D4003	68.85	BUCKSKIN	Chlorine, acid W/WW plant
#####	740112	B OF A (LA FIESTA POOL)	204D4003	77.65	BUCKSKIN	Chlorine, acid W/WW plant
#####	740116	HUGHES SUPPLY	204S0107	560.69	LYMAN	Potable water meter
#####	740112	LARSON EQUIPMENT	204S0113	2,055.93	LAKE HAVASU	Repair Kuboto tractor
#####	740116	USE TAX (AZ STATE LAND DEP	JTSF4025	52.46	ALAMO	Fire hoses & nozzles
#####	740112	ASPB ALAMO R/F (WILLING SVC	204S0116	234.05	ALAMO	Repair lift station pump
11/7/2003	740112	J & S ELECTRIC	204S0119	1,677.77	BUCKSKIN	Repair submersible well pump
11/7/2003	740116	HUGHES SUPPLY	204S0123	983.49	BUCKSKIN	Effluent pump
#####	740112	B OF A (CASUAL LIVING POOL)	2PCD4004	158.79	BUCKSKIN	Chlorine, acid W/WW plant
#####	740112	B OF A (CASUAL LIVING POOL)	2PCD4004	8.41	BUCKSKIN	Chlorine, acid W/WW plant
#####	740116	B OF A (AUTO ZONE)	204D4004	172.91	FOOL HOLLOW	Trailer hitch
#####	740112	CASUAL LIVING POOL	204S0131	64.19	CATTAIL	Chlorine, acid W/WW plant
#####	740112	RIVER SPETIC	204S0137	1,294.20	CATTAIL	Pump out W/WW plant
#####	740112	CASUAL LIVING POOL	204S0138	200.60	BUCKSKIN	Chlorine, acid W/WW plant
12/3/2003	740116	LARSON EQUIPMENT	204S0145	660.04	LAKE HAVASU	Tractor starter assembly
12/5/2003	740116	LIFESAVING SYSTEMS	204S0147	140.70	CATTAIL	Rescue hoisting sling
12/9/2003	740112	B OF A (CASUAL LIVING POOL)	2PCD4005	80.24	BUCKSKIN	Chlorine, acid W/WW plant
12/9/2003	740112	B OF A (LESLIE SWIMMING POOL)	2PCD4005	137.31	BUCKSKIN	Chlorine, acid W/WW plant
12/9/2003	740116	CHEMICAL INJEXCTION TECH	204S0153	2,223.19	LYMAN	Gas chlorinator
#####	740116	BUREAU OF RECLAMATION	204S0158	510.92	RESOURCE MGT	River water delivery
#####	740116	FERGUSON ENTERPRISES	204S0164	5,325.86	PATAGONIA	Grinder pumps (3)
#####	740116	NASCO MODESTO	204S0166	150.61	CATTAIL	W/WW testing supplies
#####	740112	SANDPOINT MARINA	204S0170	545.61	CATTAIL	Replace pontoon steering assemb
1/4/2004	740112	CASUAL LIVING POOL	204S0178	222.77	BUCKSKIN	Chlorine, acid W/WW plant
1/4/2004	740112	CASUAL LIVING POOL	204S0179	108.92	CATTAIL	Chlorine, acid W/WW plant
1/14/2004	740116	USE TAX (NASCO MODESTO)	JTSF4058	7.63	CATTAIL	W/WW testing supplies
1/20/2004	740116	RJ THOMAS	204S0183	941.00	CATTAIL	Trash can covers w/hatch
1/22/2004	740112	RIVER SEPTIC	204S0184	2,880.00	BUCKSKIN	Pump out W/WW plant
1/22/2004	740112	RIVER SEPTIC	204S0185	1,440.00	BUCKSKIN	Pump out W/WW plant
1/27/2004	740112	LARSON EQUIPMENT	204S0189	1,828.26	LAKE HAVASU	Repair Kuboto tractor
2/6/2004	740116	BINGHAM EQUIPMENT	204S0197	8,967.66	ALAMO	Backhoe attachment
2/25/2004	740112	BIG T'S TREE TRIMMING	204S0205	750.00	CATTAIL	Tree removal
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ARIZONA STATE PARKS

SLIF - STATEWIDE - BOATING PARKS SAFETY EQUIPMENT & MATERIALS						
Expenditures FY2004, FY2005, and FY2006 (through February)						
TRANS. DATE	PROJECT NO	VENDOR / TRANSACTION	DOC#	AMOUNT EXPENDED	PARK	ACTIVITY DESCRIPTION
FY2004 CONT'D.						
3/1/2004	740116	ARIZONA TACTICAL	204S0208	1,039.92	STATEWIDE	Body armor (6)
3/2/2004	740116	W W GRAINGER	204S0210	786.97	LAKE HAVASU	Paint sprayer
3/4/2004	740112	CASUAL LIVING POOL	204S0215	48.14	CATTAIL	Chlorine, acid W/WW plant
3/16/2004	740112	SANDPOINT MARINA	204S0221	987.17	CATTAIL	Repair pontoon boat
3/16/2004	740116	PROCOMM	204S0222	1,664.05	BUCKSKIN	Radios & batteries
3/22/2004	740112	CASUAL LIVING POOL	204S0225	285.82	BUCKSKIN	Chlorine, acid W/WW plant
3/30/2004	740112	RIVER SEPTIC	204S0234	480.00	BUCKSKIN	Pump out W/WW plant
3/30/2004	740116	PROCOMM	204S0235	1,760.73	CATTAIL	Radios & batteries
4/5/2004	740112	CASUAL LIVING POOL	204S0239	80.89	CATTAIL	Chlorine, acid W/WW plant
4/9/2004	740116	B OF A (HOME DEPOT)	2PCD4009	176.40	LAKE HAVASU	Accident investigation tools
4/9/2004	740116	B OF A (BEN MEADOWS)	2PCD4009	270.88	LAKE HAVASU	Sound meter
4/13/2004	740116	W W GRAINGER	204S0246	801.16	CATTAIL	Personal protection gear
4/13/2004	740116	PROCOMM	204S0247	933.98	LAKE HAVASU	Radio batteries
4/16/2004	740116	USE TAX (BEN MEADOWS)	JTSF4093	14.67	LAKE HAVASU	Sound meter
4/19/2004	740112	W W GRAINGER	G04S0249	250.77	ALAMO	Lift station pump repair parts
4/19/2004	740112	CENTRAL IMPLEMENT	204S0252	999.63	PATAGONIA	Gator repairs
4/21/2004	740112	SANDPOINT MARINA	204S0254	366.49	CATTAIL	Repair pontoon helm assembly
4/27/2004	740112	SANDPOINT MARINA	204S0259	189.03	CATTAIL	Repair pontoon starter
4/27/2004	740112	CASUAL LIVING POOL	204S0261	139.82	CATTAIL	Chlorine, acid W/WW plant
5/3/2004	740112	W W GRAINGER	204S0267	528.91	LAKE HAVASU	Dock demolition tools/supplies
5/4/2004	740116	MY TE PRODUCTS	204S0271	141.44	LAKE HAVASU	Buoy tender
5/6/2004	740112	RIVER SEPTIC	204S0274	1,820.00	CATTAIL	Pump out W/WW plant
5/7/2004	740112	B OF A (WALTS MOTORSPORT)	2PCD4010	244.74	CATTAIL	Sea-Doo maintenance supplies
5/11/2004	740116	W W GRAINGER	204S0276	264.42	FOOL HOLLOW	Traffic cones (low water)
5/18/2004	740112	CASUAL LIVING POOL	204S0277	285.82	BUCKSKIN	Chlorine, acid W/WW plant
5/25/2004	740112	CASUAL LIVING POOL	204S0289	21.30	CATTAIL	Chlorine, acid W/WW plant
6/8/2004	740112	B OF A (MOTION INDUSTRIES)	204D4011	257.97	CATTAIL	W/WW plant pneumatic valves
6/8/2004	740116	PHYSICIANS SALES AND SERVICE	204S0298	1,454.21	LAKE HAVASU	First aid supplies
6/11/2004	740112	CASUAL LIVING POOL	204S0299	48.14	CATTAIL	Chlorine, acid W/WW plant
6/15/2004	740116	UNITED FIRE EQUIPMENT	204S0301	1,078.60	LAKE HAVASU	Fire pump/hose/valve
6/15/2004	740116	PROPELLER COMPANY	204S0302	195.00	CATTAIL	Propeller repair/replace
6/15/2004	740116	PROCOMM	204S0303	1,145.32	ROPER LAKE	Radios & batteries
6/16/2004	740116	WEST MARINE	204S0304	426.46	LAKE HAVASU	Boat safety equipment
6/18/2004	740116	B R P US BMCA OUTBOARD	204S0308	9,799.08	LAKE HAVASU	Outboard engine & access.
6/28/2004	740116	GREAT WEST TIRE	204S0312	459.94	LAKE HAVASU	Boat trailer tires
6/30/2004	740116	GALLS	204S0313	994.85	LAKE HAVASU	First responder kits
06/31/04	740112	B OF A (CASUAL LIVING POOL)	2PCD4012	51.71	BUCKSKIN	Chlorine, acid W/WW plant
06/31/04	740116	RJ THOMAS	204S0319	927.20	CATTAIL	Trash can covers w/hatch
06/31/04	740116	B OF A (HOME DEPOT)	2PCD4012	687.48	CATTAIL	Boat canopy kit
06/32/04	740112	SANDPOINT MARINA	204S0320	411.06	CATTAIL	Pontoon boat serviced
06/32/04	740112	CASUAL LIVING POOL	204S0318	192.91	BUCKSKIN	Chlorine, acid W/WW plant
06/32/04	740112	HAVASU IRON & METAL	204S0321	186.36	LAKE HAVASU	Angle iron 160 ft.
06/49/04	740116	B OF A (INTOXIMETERS)	G04S0335	605.00	LAKE HAVASU	Intoximeters
		FY04 Total Expended		82,405.88		
FY2005						
7/12/2004	740116	PROCOMM	205S0014	1,203.15	CATTAIL	Mobile radio package
7/13/2004	740112	CASUAL LIVING POOL	205S0015	142.91	BUCKSKIN	Chlorine, acid W/WW plant
7/13/2004	740112	CASUAL LIVING POOL	205S0016	123.77	CATTAIL	Chlorine, acid W/WW plant
7/16/2004	740112	ADVANCED GAS PRODUCTS	204S0017	168.29	LAKE HAVASU	Welding supplies
7/16/2004	740112	PROPELLER COMPANY	204S0018	2,470.00	LAKE HAVASU	Repair split pontoon
8/2/2004	740116	PHYSICIAN SALES AND SERVICE	205S0024	1,008.42	LAKE HAVASU	First aid inventory
8/10/2004	740301	AMER EXP (NAPA AUTO PART)	2PCD5001	229.32	FOOL HOLLOW	Fire truck repair parts
8/11/2004	740112	CASUAL LIVING POOL	205S0028	285.82	BUCKSKIN	Chlorine, acid W/WW plant
8/24/2004	740116	PHYSICIAN SALES AND SERVICE	205S0035	822.91	LAKE HAVASU	First aid inventory
8/24/2004	740301	GAINES MARINE	205S0034	213.44	LAKE HAVASU	Patrol boat repair
8/27/2004	740116	GAINES MARINE	205S0036	10,461.45	CATTAIL	Outboard engine
8/27/2004	740301	GAINES MARINE	205S0036	1,633.20	CATTAIL	Boat motor & propeller
8/30/2004	740112	CASUAL LIVING POOL	205S0038	139.82	CATTAIL	Chlorine, acid W/WW plant
		CONTINUED NEXT PAGE				

ARIZONA STATE PARKS

SLIF - STATEWIDE - BOATING PARKS SAFETY EQUIPMENT & MATERIALS						
Expenditures FY2004, FY2005, and FY2006 (through February)						
TRANS. DATE	PROJECT NO	VENDOR / TRANSACTION	DOC#	AMOUNT EXPENDED	PARK	ACTIVITY DESCRIPTION
FY2005 CONT'D.						
9/2/2004	740112	CASUAL LIVING POOL	205S0039	32.34	CATTAIL	Chlorine, acid W/WW plant
9/2/2004	740112	UNIVAR USA	205S0040	804.60	BUCKSKIN	W/WW treatment chemicals
9/3/2004	740112	AMEXP/PCARD (HOME DEPOT)	2PCD5002	686.29	BUCKSKIN	Concrete & forms
9/23/2004	740112	CASUAL LIVING POOL	205S0050	285.82	BUCKSKIN	Chlorine, acid W/WW plant
9/24/2004	740112	WESTCO PAINT AND DECKING	205S0051	577.78	LAKE HAVASU	Epoxy/primer for courtesy docks
9/24/2004	740116	GALLS (CK 315741-315742)	005S0052	(146.23)	LAKE HAVASU	Refund first responder kit
10/1/2004	740112	CASUAL LIVING POOL	205S0055	71.12	CATTAIL	Chlorine, acid W/WW plant
10/1/2004	740112	RIVER SEPTIC	205S0056	960.00	BUCKSKIN	Pump out W/WW plant
#####	740301	VERTONS	205S0059	332.98	PATAGONIA	Pontoon mooring covers
#####	740112	W W GRAINGER	205S0067	620.15	BUCKSKIN	Parts for well repair & TP plant
11/4/2004	740112	AMEXP/PCARD (CASUAL LIVING	2PCD5004	96.04	BUCKSKIN	Chlorine, acid W/WW plant
11/5/2004	740301	PURCELL TIRE	205S0068	1,018.30	ALAMO	Boat ramp truck tires
#####	740112	CASUAL LIVING POOL	205S0075	326.33	BUCKSKIN	Chlorine, acid W/WW plant
#####	740301	BUREAU OF RECLAMATION	205S0078	509.75	RESOURCE MGT	River water delivery
#####	740301	USE TAX (VERTONS)	JTSF5033	17.58	PATAGONIA	Pontoon mooring covers
#####	740301	GREYLINE INSTRUMENTS	205S0081	1,488.19	BUCKSKIN	Flow meter W/WW plant
#####	740112	CASUAL LIVING POOL	205S0083	50.47	CATTAIL	Chlorine, acid W/WW plant
12/2/2004	740301	ARIZONA STATE LAND DEPT	205S0800	5,960.91	FOOL HOLLOW	Fire truck equipment
12/6/2004	740116	WESTERN PUMP	205S0089	1,746.25	BUCKSKIN	W/WW flow control valve
12/6/2004	740301	WESTERN PUMP	205S0089	73.60	BUCKSKIN	Flow valve W/WW plant
12/7/2004	740112	CASUAL LIVING POOL	205S0091	98.14	CATTAIL	Chlorine, acid W/WW plant
12/7/2004	740112	BIG BLASTERS	205S0092	1,267.20	LAKE HAVASU	Sand blast courtesy docks
12/7/2004	740112	TRI STATE BUILDING MATERIALS	205S0093	2,066.92	LAKE HAVASU	Decking material for docks
#####	740301	ARIZONA TACTICAL	205S0094	9,879.24	STATEWIDE	Body armor (19)
#####	740112	USA BLUEBOOK	205S0100	818.17	BUCKSKIN	Water system parts & equip.
#####	740112	BINGHAM EQUIPMENT	205S0101	1,503.67	ALAMO	Repair tractor clutch
1/11/2005	740112	AUTOMATIC POWER	205S0106	209.07	CATTAIL	Navigational aid lamp bulbs
1/12/2005	740301	HACH COMP	205S0108	478.85	CATTAIL	Chlorine meter/test kits
1/18/2005	740112	USE TAX (USA BLUE BOOK)	JTSF5052	43.58	BUCKSKIN	Water system parts & equip.
1/25/2005	740112	FARM PLAN	205S0109	818.33	BUCKSKIN	Tractor clutch repair parts
1/25/2005	740112	W W GRAINGER	205S0110	(125.69)	LAKE HAVASU	Refund dock demolition supplies
1/25/2005	740112	MCCROMETER	205S0111	507.24	CATTAIL	Repair effluent flow meter
2/2/2005	740301	ADDA/USDOJ ARMOR REIMB	TCALMC41	(271.30)	STATEWIDE	Body armor
2/17/2005	740112	W W GRAINGER	205S0126	95.73	LAKE HAVASU	Dock demolition tools/supplies
2/17/2005	740112	USE TAX (AUTOMATIC POWER)	JTSF5061	11.20	CATTAIL	Navigational aid lamp bulbs
2/17/2005	740112	USE TAX (MCCROMETER)	JTSF5061	20.89	CATTAIL	Repair effluent flow meter
2/25/2005	740112	RIVER SEPTIC	205S0130	480.00	BUCKSKIN	Pump out W/WW plant
3/4/2005	740112	CASTRO SERVICE CENTER	205S0131	1,066.59	BUCKSKIN	Repair tractor clutch
3/16/2005	740112	CASUAL LIVING POOL	205S0134	220.44	CATTAIL	Chlorine, acid W/WW plant
3/17/2005	740112	AMEXP/PCARD (CASUAL LIVING	GPCD5009	143.90	BUCKSKIN	Chlorine, acid W/WW plant
3/17/2005	740301	AMEX/P CARD (GRAINGER)	GPCD5009	79.88	LAKE HAVASU	Spill containment platform
3/21/2005	740112	BOMBARDIER MOTOR CORP	205S0135	468.00	LAKE HAVASU	Engine oil 2 stroke
3/23/2005	740112	RIVER SEPTIC	205S0136	450.00	BUCKSKIN	Pump out W/WW plant
4/6/2005	740112	KEN'S UPHOLSTERY	205S0142	999.75	LYMAN	Reupholster pontoon seats
4/8/2005	740301	ARIZONA CORRECTION IND	205S0147	4,275.00	PATAGONIA	BBQ grills & fire rings
4/13/2005	740112	SANDPOINT MARINA	205S0149	245.51	CATTAIL	Pontoon boat service
5/4/2005	740112	CASUAL LIVING POOL	205S0156	633.10	BUCKSKIN	Chlorine, acid W/WW plant
5/4/2005	740112	CASUAL LIVING POOL	205S0157	84.06	CATTAIL	Chlorine, acid W/WW plant
5/16/2005	740301	NIELSEN WELL DRILLING	205S0169	999.93	LYMAN	Submersible pump
5/18/2005	740112	RIVER SEPTIC	205S0170	4,800.00	BUCKSKIN	Pump out W/WW plant
5/20/2005	740112	USE TAX (BOMBARDIER)	JTSF5099	26.21	LAKE HAVASU	Engine oil 2 stroke
5/24/2005	740112	LIGHTNING BATTERY	205S0171	43.08	CATTAIL	Sea-Doo battery
5/24/2005	740112	JACKS AUTO PARTS	205S0172	130.90	LAKE HAVASU	Kubota tractor repair parts
5/26/2005	740301	PROCOM	205S0173	1,489.73	ALAMO	Base station & radios
6/1/2005	740112	CASUAL LIVING POOL	205S0175	256.96	BUCKSKIN	Chlorine, acid W/WW plant
6/1/2005	740112	BAVCO	205S0176	736.12	BUCKSKIN	Backflow assembly repair parts
6/1/2005	740112	USA BLUEBOOK	205S0178	244.14	BUCKSKIN	WTP ball valve
6/1/2005	740301	HUGHES SUPPLY	205S0177	977.04	BUCKSKIN	RR/Shower valves
6/7/2005	740112	CASUAL LIVING POOL	205S0183	139.13	CATTAIL	Chlorine, acid W/WW plant
6/13/2005	740301	ARIZONA TACTICAL	205S0185	1,039.93	STATEWIDE	Body armor
6/22/2005	740112	AMEXP/PCARD (HOME DEPOT)	GPCD5012	785.14	CATTAIL	Boat camp R&M, Sea-Doo cage
6/29/2005	740112	CASUAL LIVING POOL	205S0189	112.08	CATTAIL	Chlorine, acid W/WW plant
6/30/2005	740112	AMEXP/PCARD (USA BACKFLOW	GPCD5013	319.35	CATTAIL	Backflow preventor repair parts
FY05 Total Expended				73,081.98		

ARIZONA STATE PARKS

SLIF - STATEWIDE - BOATING PARKS SAFETY EQUIPMENT & MATERIALS						
Expenditures FY2004, FY2005, and FY2006 (through February)						
TRANS. DATE	PROJECT NO	VENDOR / TRANSACTION	DOC#	AMOUNT EXPENDED	PARK	ACTIVITY DESCRIPTION
FY06						
7/12/2005	740112	CASUAL LIVING	206S0013	330.38	BUCKSKIN	Chlorine, acid W/WW plant
7/12/2005	740112	HUGHES SUPPLY	206S0014	386.51	LYMAN	Symmons mixing valve
7/19/2005	740112	RIVER SEPTIC TRS FR 740301	G06S0019	400.00	BUCKSKIN	Pump out W/WW plant
7/26/2005	740301	CASUAL LIVING POOL	206S0021	278.25	CATTAIL	Chlorine,acid W/WW plant
7/27/2005	740112	THATCHER COMPANY OF NEVAD	206S0022	1,250.00	CATTAIL	50 gal drum polymer
8/2/2005	740301	OUTDOOR SPORTS	206S0023	23,767.26	ALAMO	Boat/motor/trailer
8/2/2005	740301	CASUAL LIVING POOL	206S0024	418.35	CATTAIL	Chlorine,acid W/WW plant
8/5/2005	740301	A TO Z EQUIPMENT RENTAL	206S0028	30,808.50	LAKE HAVASU	Skid steer loader
8/10/2005	740301	CASUAL LIVING POOL	206S0032	435.13	BUCKSKIN	Chlorine,acid W/WW plant
8/15/2005	740401	HUGHES SUPPLY	206S0034	326.28	LYMAN	Toilet replace/repair
8/18/2005	740301	UNIVAR USA	206S0038	978.74	BUCKSKIN	W/WW plant chemicals
8/23/2005	740112	USE TAX (THATCHER CO)	JTSF6005	70.00	CATTAIL	50 gal drum polymer
8/23/2005	740112	USE TAX (USA BLACK FLOW)	JTSF6005	17.35	CATTAIL	Backflow preventor repair parts
8/23/2005	740112	USE TAX (USA BLUEBOOK)	JTSF6005	12.77	BUCKSKIN	WTP ball valve
8/24/2005	740112	USA BLUEBOOK	206S0041	794.64	BUCKSKIN	Chemical injection pumps/tubing
8/25/2005	740401	WATER TECH	206S0042	373.73	BUCKSKIN	Effluent irrigation sprinklers
9/1/2005	740112	SHORELINE PLUMBING	206S0043	419.34	CATTAIL	Repair parts effluent pipe system
9/1/2005	740401	W W GRAINGER	206S0044	320.02	CATTAIL	W/WW repair & maint.
9/15/2005	740112	USE TAX (USA BLUEBOOK)	JTSF6019	43.11	BUCKSKIN	Chemical injection pumps/tubing
9/15/2005	740301	CASUAL LIVING POOL	206S0050	332.69	BUCKSKIN	Chlorine,acid W/WW plant
9/20/2005	740112	AUTOMATIC POWER	206S0054	209.42	CATTAIL	Nav-Aid bulbs & lens cover
9/20/2005	740301	CASUAL LIVING POOL	206S0053	112.08	CATTAIL	Chlorine,acid W/WW plant
9/28/2005	740112	FARM PLAN	206S0058	926.04	BUCKSKIN	Tractor repair parts
9/28/2005	740301	CASUAL LIVING POOL	206S0057	332.69	BUCKSKIN	Chlorine,acid W/WW plant
10/3/2005	740401	BROAN NUTONE	206S0061	402.76	LYMAN	Restroom fans
#####	740401	W W GRAINGER	206S0062	2,104.77	CATTAIL	Pump/hoses - maint. remote RRs
#####	740401	BARNACLE BILL BOAT RENTAL	206S0063	404.92	LAKE HAVASU	Engine repair - buoy tender
#####	740401	USE TAX (BROAN NUTONE)	JTSF6022	21.99	LYMAN	Restroom fans
#####	740401	MCCROMETER	206S0066	764.24	CATTAIL	Repair/replace effluent meter
11/7/2005	740112	AMEX/P CARD (A TO Z EQUIP)	GPCD6004	155.66	LAKE HAVASU	skid loader. 66" cutting edge
11/7/2005	740112	AMEX/P CARD (HACH)	GPCD6004	317.48	CATTAIL	W/WW testing kits
11/9/2005	740112	JOHN JACOBSON	206S0074	690.00	FOOL HOLLOW	50 gal trash barrels
11/9/2005	740401	W W GRAINGER	206S0073	860.24	CATTAIL	W/WW repair & maint. remote RRs
#####	740401	ADVANCED MECHANICAL	206S0078	790.00	ALAMO	Clean sewage lines
#####	740401	BMCA-OUTBOARD DIVISION	206S0080	278.16	LAKE HAVASU	Boat propellers
#####	740301	CASUAL LIVING POOL	206S0084	368.80	BUCKSKIN	Chlorine,acid W/WW plant
#####	740301	CASUAL LIVING POOL	206S0085	97.00	CATTAIL	Chlorine,acid W/WW plant
12/2/2005	740112	WHITE MOUNTAIN ROCK PROD	206S0090	425.49	LYMAN	Rock for retaining walls
12/2/2005	740401	WHITE MOUNTAIN ROCK PROD	206S0091	465.54	LYMAN	Rock for retaining walls
12/2/2005	740401	GAINES MARINE	206S0092	354.75	CATTAIL	Service outboard motor
12/6/2005	740301	CASUAL LIVING POOL	206S0094	236.13	CATTAIL	Chlorine,acid W/WW plant
12/8/2005	740401	W W GRAINGER	206S0096	1,673.39	ALAMO	Portable fire pump
#####	740401	BUREAU OF RECLAMATION	206S0098	500.00	RESOURCE MGT	River water delivery
#####	740112	USE TAX (JOHN JACOBSON)	JTSF6044	36.40	FOOL HOLLOW	50 gal trash barrels
#####	740401	USE TAX (BMCA-OUTBOARD)	JTSF6044	15.58	LAKE HAVASU	Boat propellers
#####	740401	HATCH CO	206S0101	99.38	CATTAIL	T. P. test kits; turbidimeter
#####	740401	PRO ACT MICROBIAL	206S0103	350.00	CATTAIL	T. P. microbes / amendments
#####	740401	MARTINS UNIFORMS	206S0104	1,403.14	PATAGONIA	Ballistic vests
1/5/2006	740112	W W GRAINGER	206S0109	456.62	BUCKSKIN	Effluent pump
1/5/2006	740401	W W GRAINGER	206S0109	226.85	BUCKSKIN	Effluent pump
1/10/2006	740401	USA BLUEBOOK	206S0110	408.75	CATTAIL	Chlorine pump repair kit
1/10/2006	740401	SCUBA TRAINING & TECH	206S0111	132.87	CATTAIL	Aerating equip for remote RRs
1/18/2006	740112	HAVASU POWER (BAL 740401)	206S0114	15.02	CATTAIL	Chain, 16' bar, install kits
1/18/2006	740401	HAVASU POWER EQ (740112)	206S0114	309.48	CATTAIL	Chain, 16' bar, install kit
1/20/2006	740301	CASUAL LIVING POOL	206S0117	368.80	BUCKSKIN	Chlorine,acid W/WW plant
1/26/2006	740401	FABWRIGHT	206S0124	3,040.00	LAKE HAVASU	Fish grinder
1/31/2006	740401	PRECISION ELECTRIC	206S0126	522.26	CATTAIL	Water supply pumps repair
2/14/2006	740401	BARNACLE BILL BOAT RENTAL	206S0137	415.93	LAKE HAVASU	Patrol boat repair
2/14/2006	740401	CAMPBELL REDI MIX	206S0138	217.56	LAKE HAVASU	Concrete for buoy anchors
2/17/2006	740401	USE TAX (PRO ACT MICROBAL)	JTSF6056	19.04	CATTAIL	T. P. microbes / amendments
2/17/2006	740401	USE TAX (USA BLUEBOOK)	JTSF6056	22.12	CATTAIL	Chlorine pump repair kit
2/24/2006	740301	CASUAL LIVING POOL	206S0141	80.83	CATTAIL	Chlorine,acid W/WW plant
2/24/2006	740401	W W GRAINGER	206S0142	955.99	CATTAIL	Paint for W/WW plant
2/24/2006	740401	AUTOMATIC POWER	206S0143	898.17	CATTAIL	Photovol. batteries, Nav-aid bulbs
		FY06 Total Expended		84,249.39		

Arizona State Parks

April 6, 2006

JCCR Request for FY 06 SLIF Expenditures Estimate

Background

Arizona State Parks has an approved \$4 million budget for FY 2005, FY 2006 and FY 2007. Although the size of this budget is unsustainable in the long run, it was envisaged as a short-term measure until the budget crises of FY 2002 through FY 2004 were behind us. Arizona State Parks has made every effort to expend this budget as a last resort.

FY 2006 Expenditure Estimate

Vacancy savings of approximately \$300,000 in Personal Services and ERE will be achieved in FY 2006.

Although Kartchner Caverns has approximately \$240,000 in SLIF ERE, it is unclear if additional vacancy savings are better utilized in the Enhancement Fund or SLIF.

For All Other Operating expenditures,

Administration and Computer Support have approximately \$170,000 left in FY 2006. Remaining priority expenditures in FY 2006 are;

- Disaster Recovery Plan - \$25,000
- GITA IT Infrastructure Requirements - \$40,000
- GITA IT Encryption Standards - \$65,000
- HRIS Compliance - \$7,500
- Park Asset Management System - \$25,000

Training is on target to expend its budget.

Kartchner Caverns State Park has a budget of \$375,000 that was fully expended in FY 2005 and is expected to be expended in FY 2006. Although the park has requested to expend its \$50,000 equipment budget on a replacement tow tractor for transporting visitors, management requested that they wait until the 4th quarter to expend it, in case other issues arose that might be a higher priority.

The Marketing Department has approximately \$250,000 left in the FY 2006 budget. Remaining priority expenditures in FY 2006 are;

- Marketing Partnership and Promotion - \$52,500
- General Advertising - \$60,000
- Printing, Postage and Distribution - \$85,000
- Visitor and Rock Climbing Survey - \$100,000

Note: Survey expenditures will be split between FY 2006 and FY 2007.

Conclusion

Based on the above, \$3.7 million is the high estimate for FY 2006 expenditures. As always, delays in the procurement process can cause expenditures to lapse into the next fiscal year.

Vacancy savings will be more difficult to achieve in FY 2007 due to the HB 2661 pay package and other ERE increases. The five current vacancies include two state service interns, a Planner II, an Admin Assistant III and a campground reservation liaison. Their combined salaries of approximately \$140,000 will offset the HB 2661 pay increase. Therefore, even with a hiring freeze, it would be difficult to achieve vacancy savings in FY 2007.

Finally, most expenditures above are either required to keep a park open, achieve our revenue target or comply with new requirements. Arizona State Parks anticipates that FY 2007 will be no different, and flexibility will be needed to cope with these issues in FY 2007.