

JOINT COMMITTEE ON CAPITAL REVIEW

Thursday, July 14, 2022

9:45 a.m. or Upon Adjournment of the JLBC Meeting

House Hearing Room 1



STATE OF ARIZONA

Joint Committee on Capital Review

STATE
SENATE

DAVID M. GOWAN
VICE-CHAIRMAN

LELA ALSTON
SEAN BOWIE
RICK GRAY
SINE KERR
VINCE LEACH
REBECCA RIOS

1716 WEST ADAMS
PHOENIX, ARIZONA 85007

(602) 926-5491

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REPRESENTATIVES

REGINA E. COBB
CHAIRMAN

REGINALD BOLDING
JOHN KAVANAGH
JOANNE OSBORNE
JUDY SCHWIEBERT
LORENZO SIERRA
BEN TOMA

**** REVISED ****

JOINT COMMITTEE ON CAPITAL REVIEW

Thursday, July 14, 2022

9:45 A.M. or on Adjournment of the JLBC Meeting
House Hearing Room 1

MEETING NOTICE

- Call to Order
- Approval of Minutes of April 20, 2022
- 1. *ARIZONA DEPARTMENT OF ADMINISTRATION
 - *A. Review of FY 2023 Building Renewal Allocation Plan.
 - *B. Consider Recommending FY 2022 Rent Exemption.
- 2. *ARIZONA DEPARTMENT OF ADMINISTRATION/AHCCCS - Review of Behavioral Transitional Shelter.
- 3. ARIZONA DEPARTMENT OF CORRECTIONS - Review of FY 2023 Capital Projects.
- 4. *ARIZONA GAME AND FISH DEPARTMENT - Review of FY 2023 Building Renewal, Property Maintenance, and Dam Maintenance Allocations and Other Capital Projects.
- 5. *ARIZONA STATE PARKS BOARD - Review of FY 2023 Capital Improvement Projects.
- 6. DEPARTMENT OF TRANSPORTATION - Review of ADOT Facilities.

- * Consent Agenda - These items will be considered in one motion and no testimony will be taken.

The Chairman reserves the right to set the order of the agenda.

~~07/08/2022~~

07/13/2022

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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) 926-5491.



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MINUTES OF THE MEETING

JOINT COMMITTEE ON CAPITAL REVIEW

April 20, 2022

The Chairman called the meeting to order at 11:11 a.m., Wednesday, April 20, 2022 in Senate Appropriations Room 109. The following were present:

Members:	Senator Gowan, Vice-Chairman	Representative Cobb, Chairman
	Senator Alston	Representative Kavanagh
	Senator Bowie	Representative Osborne
	Senator Gray	Representative Toma
	Senator Kerr	
	Senator Leach	

Absent:	Senator Rios	Representative Bolding
		Representative Schwiebert
		Representative Sierra

APPROVAL OF MINUTES

Senator Gowan moved that the Committee approve the minutes of February 10, 2022. The motion carried.

CONSENT AGENDA

The following item was considered without discussion:

ARIZONA GAME AND FISH DEPARTMENT (AGFD) - Review of Capital Projects.

A.R.S. § 41-1252 requires the Joint Committee on Capital Review (JCCR) to review expenditure plans for monies appropriated for building renewal and capital projects and for any project with an estimated cost of more than \$250,000. AGFD requested review of AGFD's total of \$10,403,600 for 5 projects including:

(Continued)

- \$6.9 million for a 5-year development of a wildlife conservation area/fish hatching ponds on an AFGD parcel near Cornville.
- \$3.25 million for shooting range improvements at 3 facilities.
- \$253,600 for replacement of the dock at Lake Havasu's Contact Point law enforcement facility.

The JLBC Staff provided options.

Senator Gowan moved that the Committee give a favorable review of the consent agenda item. The motion carried.

Without objection, the meeting adjourned at 11:12 a.m.

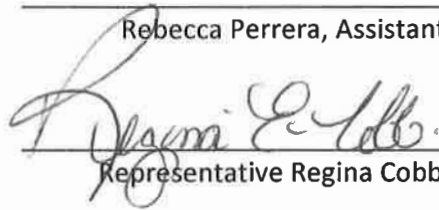
Respectfully submitted:



Kristy Paddack, Secretary

Rebecca Perrera

Rebecca Perrera, Assistant Director



Representative Regina Cobb, Chairman



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Joint Committee on Capital Review

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DATE: July 11, 2022

TO: Members of the Joint Committee on Capital Review

FROM: Morgan Dorcheus, Principal Fiscal Analyst

SUBJECT: Arizona Department of Administration - Review of FY 2023 Building Renewal Allocation Plan

Request

A.R.S. § 41-1252 requires Committee review of expenditure plans for building renewal monies. The Arizona Department of Administration (ADOA) requests the Committee review its FY 2023 Building Renewal Allocation Plan. The FY 2023 budget appropriates a total of \$53,594,200 for building renewal. Of this amount, \$37,594,200 is from the General Fund and \$16,000,000 is from the Capital Outlay Stabilization Fund (COSF).

Committee Options

The Committee has at least the following 2 options:

1. A favorable review of the request.
2. An unfavorable review of the request.

Under either option, the Committee may also consider the following provision:

- A. Prior to expending the emergency contingency allocation of \$1,102,000, ADOA shall report the use of the funds to JLBC.

Analysis

Space Consolidation Plan

The FY 2023 capital budget allows ADOA to spend its FY 2023 building renewal appropriation on projects related to retrofitting facilities for space consolidation initiatives. ADOA has allocated \$1.6 million of its total appropriation to complete consolidation efforts for multiple state agencies, including the Board of Pharmacy, Citizens Clean Elections Commission, State Board for Charter Schools, State Board of Education, and the Board of Executive Clemency.

(Continued)

Key Points

- 1) The FY 2023 budget included \$53.6 million for ADOA building renewal.
- 2) Of the \$53.6 million, ADOA will spend \$1.6 million to complete space consolidations and relocations for 5 state agencies.
- 3) ADOA proposes allocating \$52.0 for general building renewal projects. The main uses will be:
 - HVAC, elevator, plumbing, and electrical upgrades, \$26.8 million
 - Service entrance, parking lot/road, security, sewer, and water supply upgrades, \$8.4 million
 - Roof, window, paint, and other exterior upgrades, \$5.6 million
 - Fire system replacements, \$2.0 million
 - Flooring, paint, and other interior finish repairs, \$2.5 million
 - Preventative maintenance, ADA compliance, project management costs, and an emergency contingency, \$6.7 million.

Building Renewal

Building renewal appropriations provide for the major maintenance and repair of state-owned buildings. The building renewal formula takes into account the replacement value, age, and life-cycle of all structures in the ADOA building system. ADOA is proposing to allocate a total of \$52.0 million for building renewal (this amount excludes ADC's facilities as they received their own building renewal appropriation). See *Table 1* for the list of projects included in ADOA's FY 2023 Building Renewal Allocation Plan.

The following provides an overview of the amounts allocated to different categories of projects. Project categories include Fire and Life Safety, Building Shell, Major Building Services, Infrastructure, Building Interiors, ADA compliance, and Preventative Maintenance. Additionally, ADOA has allocated funding for project management and contingencies.

Reasonableness of Estimates

The allocation plan represents ADOA's estimated cost of the proposed projects. ADOA estimates these costs based on past projects and project scoping services. ADOA uses state contracts and issues requests for quotes (RFQs) as necessary to procure vendors for each project. As a result, the project costs may change as the procurement process occurs.

The ADOA Building Renewal Allocation Plan lists potential projects within each category. ADOA states that all projects may not be funded. ADOA has indicated that they may need to add new projects not listed.

Pursuant to A.R.S. § 41-794, ADOA is required to submit quarterly reports to JLBC staff on the status of all capital projects and capital expenditures for which monies are appropriated. These reports are intended to track each agency's actual expenditures.

Fire and Life Safety Projects

A total of \$2.0 million will be allocated to fire and life safety system replacements. ADOA has identified 5 priorities, including 2 buildings on the Capitol Mall, Arizona State Schools for the Deaf and the Blind (ASDB) Phoenix campus, the Arizona State Hospital (ASH), and the Department of Public Safety (DPS).

(Continued)

Building Shell Projects

A total of \$5.6 million will be allocated to building shell projects, which will include roof, window, paint and other building exterior upgrades. ADOA has identified 10 building priorities, including buildings on the Capitol Mall and buildings used by the Department of Agriculture in Yuma (Agriculture Yuma), ASDB, Department of Emergency and Military Affairs (DEMA), ASH, Arizona Historical Society (AHS), and DPS.

Major Building Services Projects

A total of \$26.8 million will be allocated to 39 different projects. Building priorities include various HVAC, plumbing, electrical and elevator upgrades in buildings on the Capitol Mall and Tucson Complex, Agriculture Yuma, Department of Juvenile Corrections (DJC) Adobe Mountain, ASDB Phoenix and Tucson, DEMA Glendale, ASH, Department of Economic Security (DES) Coolidge, AHS, Prescott Historical Society (PHS) Sharlot Hall, Department of Environmental Quality, and DPS.

Infrastructure Projects

A total of \$8.4 million will be allocated to infrastructure projects. This amount will be used to replace service entrance sections, upgrade security, and seal and recoat parking lots on the Capitol Mall. In addition, ADOA identified other sewer, road, security, and water supply priority projects at buildings used by ASDB Tucson, DEMA, AHS, PHS Sharlot Hall, ASH, DJC and DPS.

Building Interior Projects

A total of \$2.5 million will be allocated to replacing flooring and repairing paint on the Capitol Mall, interior finish upgrades at Agriculture Yuma, flooring replacements at ASH, and other interior upgrades at PHS Sharlot Hall.

ADA Compliance Projects

A total of \$862,500 is allocated for statewide ADA compliance projects including bathroom retrofits and building access ramps.

Preventative Maintenance Projects

A total of \$1.9 million is allocated for planned electrical, mechanical, fire, and plumbing maintenance on the Capitol Mall and Tucson Complex. As permitted by A.R.S. § 41-793.01D, ADOA may set aside up to 8% of its FY 2023 building renewal appropriation for preventative maintenance.

Other Projects

The sum of \$3.9 million will be allocated to cover project management costs for FY 2023 building renewal projects. The FY 2023 Capital Outlay bill includes a footnote allowing ADOA to allocate up to 5% of its capital appropriations for project management. ADOA's FY 2023 allocation consists of 4% of its total FY 2023 building renewal appropriation.

Because some of the project costs listed above were based solely on agency estimates, \$500,000 will be spent on contractors to better develop detailed scopes of work to implement projects in a cost-effective manner. A payment of \$174,000 will be paid for a Construction Insurance Premium. A total of \$1,102,000 is allocated for contingency.

Some of the amounts above are based on agency estimated scope and project costs, while some amounts are based on estimates from ADOA engineering studies, audits, and historical costs.

(Continued)

Table 1

FY 2023 Building Renewal Allocation Plan

Fire & Life Safety Projects

ADOA Capitol Mall Fire System Upgrades/Code Corrections	\$ 2,018,200
ASDB Phoenix Fire Alarm Replacement	
ASH Fire Systems Backflow Prevention Fire Dampers	
DPS Statewide Fire System Upgrades.	

Building Shell Projects

ADOA Capitol Mall Roof, Window and Exterior Upgrades	\$ 5,635,000
Agriculture Yuma Exterior Repairs	
ASDB Roof Repairs and Replacements	
DEMA Roof and Paint Repairs and Replacements	
ASH Roof and Exterior Maintenance	
DPS Statewide Roof and Window Repairs and Replacements	

Major Building Services Projects

ADOA Statewide HVAC, Plumbing, Electrical, and Elevator Upgrades	\$26,768,200
Agriculture Yuma HVAC and Plumbing Repairs	
DJC Adobe Mountain Lighting Replacements	
ASDB Phoenix/Tucson HVAC Replacements	
DEMA Glendale Electrical Upgrades	
ASH Air Handler and Control Upgrades	
DES Coolidge Wire Grounding Code Compliance	
Historical Societies Building Service Repairs and Pump Replacements	
DEQ Air Monitoring Site Upgrades	
DPS EMS Control Upgrades and HVAC Replacements	

Infrastructure Projects

ADOA Statewide Service Entrance Parking Lot, and Security Upgrades	\$ 8,435,200
ASDB Tucson Sewer Line Replacement	
DEMA Silverbell Heliport Road Replacement	
Historical Society Security Upgrades and Infrastructure Repairs,	
ASH Water Supply Upgrades	
DJC Site Flood Control	
DPS Statewide Infrastructure Repairs	

Building Interior Projects

Flooring, Paint, and other Interior Repairs in Agriculture Yuma, ASH, Prescott Historical Society, and ADOA Capitol Mall Buildings	\$ 2,455,300
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ADA Compliance

Statewide ADA Compliance	\$ 862,500
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Preventative Maintenance Projects

ADOA Capitol Mall and Tucson Complex Preventative Maintenance	\$ 1,900,000
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Other Projects

Project Management	\$ 2,143,800
Building Renewal Project Scoping	500,000
Risk Management Insurance Premium	174,000
Emergency Contingency	<u>1,102,000</u>

<i>Subtotal</i>	\$ 3,919,800
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TOTAL	\$51,994,200
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Douglas A. Ducey
Governor



Andy Tobin
Director

ARIZONA DEPARTMENT OF ADMINISTRATION

OFFICE OF THE DIRECTOR
100 NORTH FIFTEENTH AVENUE • SUITE 302
PHOENIX, ARIZONA 85007
(602) 542-1500

July 6, 2022

The Honorable Regina E. Cobb, Chairman
Joint Committee on Capital Review (JCCR)
Arizona House of Representatives
1700 West Washington Street
Phoenix, Arizona 85007

The Honorable David M. Gowan, Vice Chairman
Joint Committee on Capital Review (JCCR)
Arizona State Senate
1700 West Washington Street
Phoenix, Arizona 85007



Dear Representative Cobb and Senator Gowan:

Section 41-1252, Arizona Revised Statutes, requires that the Joint Committee on Capital Review (JCCR) shall review the expenditure of all monies appropriated for building renewal. Laws 2022, Second Regular Session, Chapter 309 (HB 2858) appropriated \$53,594,200 to the Arizona Department of Administration (ADOA) to allocate to the ADOA Building System for building renewal projects.

ADOA requests placement on JCCR's July 14th, 2022 agenda for favorable review of ADOA's FY 2023 Building Renewal Allocation Plan for \$53,594,200 to the ADOA Building System.

To the extent possible, ADOA completes major maintenance and replacements to the building systems before failures occur. Given the years of deferred major maintenance of an aging building infrastructure, it is difficult, if not impossible, to anticipate the timing and nature of building component failure. In the event of one or more unexpected critical breakdowns or imminent failures, ADOA may redirect all or some monies from an allocation to address critical priorities.

The Honorable Regina E. Cobb
The Honorable David M. Gowan
July 6, 2022
Page 2 of 2

If you have any questions regarding ADOA's FY 2023 ADOA Building System Building Renewal Allocation Plan please contact Nola Barnes, Assistant Director, ADOA General Services Division (GSD), at 602-361-1636.

Sincerely,

A handwritten signature in black ink, appearing to read "Andy M. Tobin".

Andy Tobin
Director

Attachments (1)

cc: Richard Stavneak, Director, JLBC Staff
Rebecca Perrera, Assistant Director, JLBC Staff
Matt Gress, Director, OSPB
Bill Greeney, Deputy Director, OSPB
Theresa Vencill, Capital Budget Analyst, OSPB
Elizabeth Thorson, Deputy Director, ADOA
Ray DiCiccio, Deputy Director, ADOA
Nola Barnes, Assistant Director, ADOA/GSD
Ashley Ruiz, Assistant Director, ADOA/DBF
Jacob Wingate, Chief Financial Officer, ADOA/DBF
Elizabeth Bartholomew, Legislative Liaison, ADOA
John Hauptman, Deputy Assistant Director, ADOA/GSD

Arizona Department of Administration (ADOA) Building System
FY 2023 Building Renewal Appropriation Allocation Plan

Laws 2022, Second Regular Session, Chapter 309, (HB 2858)
\$53,594,200

FY 2023 Building Renewal Allocation Plan

Project Category	Allocation
Fire & Life Safety	\$ 2,018,250
Building Shell (Asset Preservation)	\$ 5,635,000
Major Building Services	\$ 26,768,180
Infrastructure	\$ 8,435,250
Building Interior Projects	\$ 2,455,250
ADA Accessibility	\$ 862,500
Project Scoping/Professional Services	\$ 500,000
Preventive Maintenance	\$ 1,900,000
Construction Services Project Management	\$ 2,143,768
Risk Management Insurance Premium	\$ 173,971
Compression Planning - Relocation & Renovation	\$ 1,600,000
Building Renewal Emergency & Contingency Allocation	\$1,102,031
Total FY 2022 Building Renewal Allocation Plan	\$ 53,594,200

Arizona Department of Administration (ADOA) Building System
FY 2023 Building Renewal Appropriation Allocation Plan

Laws 2022, Second Regular Session, Chapter 309, (HB 2858)
\$53,594,200

\$2,018,250 FIRE AND LIFE SAFETY SYSTEMS

The purpose of these projects is to improve or eliminate an impending condition that threatens life or property within the ADOA Building System. A.R.S. § 41-793.D. requires that the Arizona Department of Administration (ADOA) should give priority to fire and life safety projects. When fire alarm systems are out of commission for extended repair times, agencies must employ 24-hour fire watch personnel, usually on an overtime basis, to achieve fire and life safety standards. ADOA has been using Building Renewal allocations to upgrade fire alarm and suppression systems in the ADOA Building System that have exceeded their life expectancy, are functionally obsolete and in various stages of failure. This project will upgrade remaining fire alarm and suppression systems as necessary to bring state facilities into compliance with Federal, State, and local fire and life safety regulations.

Project deficiencies include:

- ASDB Phoenix - Campus Wide Fire Alarm Replacement
- DHS ASH - Fire Systems Backflow Prevention Fire Dampers
- DPS Statewide - Fire System Upgrades
- 1840 W Jackson - Fire Egress Code Correction
- 1789 W Jefferson St - Replace Fire Alarm System

\$5,635,000 BUILDING SHELL

Building Shell improvements are to address deficiencies in existing roofs, exterior enclosures, walls, windows and/or doors. The deficiencies addressed here represent a small portion of the deteriorating exterior systems where continuing maintenance-based repairs are not cost effective nor prevent leaks. Neglect of exterior roofs, walls, windows and doors escalates deterioration of building structural systems, leads to potential mold growth, and increases the risk of damage to interior contents. Further, the costs of structure damage and mold abatement can often exceed the cost of replacing a roof membrane. This project category is dedicated to proactively replacing failing roof and exterior systems throughout the ADOA Building System to mitigate negative impacts of interruption to mission critical functions and expensive "crisis-mode" abatements, emergency repairs, and replacements.

Project deficiencies include:

- Agriculture Yuma - Exterior Shell Repairs
- ASDB Phoenix/Tucson - Roof Repairs/Replacements
- DEMA - Repair & Replace Exterior Roof and Paint
- DHS ASH - Roof Replacements & Exterior Maintenance
- AHS Statewide - Exterior Shell Repairs

Arizona Department of Administration (ADOA) Building System
FY 2023 Building Renewal Appropriation Allocation Plan

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\$53,594,200

- DPS Statewide - Roof & Window Repair/Replacements
- 1535 W Jefferson St - Remove Failing Tiles Around Exterior of Building
- 1030 N 32nd St - Replace Roof
- 250 N 17th Ave (Health Lab) - Replace Roof
- 1535 W Jefferson St Garage - Replace Failing Expansion Joints

\$26,768,180 MAJOR BUILDING SERVICES

The deficiencies in the Major Building Services category reflect worsening conditions of HVAC, electrical, plumbing, and elevator components across the ADOA Building System.

Many of the HVAC systems include failing chillers, air handler units (AHUs), and cooling towers that are original to building construction. These systems have surpassed their useful lives and can no longer meet the cooling demands of the structures they support. Many systems are so weakened that unpredictable and imminent failure conditions threaten mission critical functions of public safety and institutional operations. Replacing aged and inefficient systems with new and more efficient systems will generate energy savings, protect assets, and provide comfortable climate control in Arizona's extreme environment.

HVAC and energy management system (EMS) controls throughout the ADOA Building System are lacking and/or equipped with disparate "front-ends," requiring multiple computers, workstations, and hardware to control HVAC systems. Some current HVAC system components are inefficient, lack interconnectivity, and are failing. Replacing and integrating multiple EMS into a single processing source will provide a centralized control of HVAC systems, reduce energy consumption, decrease equipment downtimes, and improve allocation of personnel resources. Failure to address aging and disparate systems may result in a shutdown of mission critical State services and expensive emergency basis procurements.

Plumbing systems throughout the ADOA Building System are original to building construction. These aging systems, in particular, the waste and vent piping, are failing at an increasing rate. Failure to replace deteriorating piping, especially the waste lines, will result in further damage to ceilings, walls, flooring and mechanical and electrical building systems.

Elevator control systems in the ADOA Building System are obsolete and replacement parts are not available. Failure of elevator controls will leave buildings without passenger or freight elevator services, creating out of compliance conditions for ADA requirements, increase emergency repair costs, and have a detrimental effect on operations.

Project deficiencies include:

- Agriculture Yuma - HVAC & Plumbing Repairs
- ADJC Adobe Mountain - Replace Lighting
- ASDB Phoenix/Tucson - HVAC Replacements

Arizona Department of Administration (ADOA) Building System
FY 2023 Building Renewal Appropriation Allocation Plan

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\$53,594,200

- DEMA - Glendale Electrical Upgrades
- DHS ASH - Alhambra AHU Replacements - Phase 2
- DHS ASH - Controls Upgrades
- DES Coolidge - 3 Wire Grounding Code Compliance
- AHS - Building Services Repairs & Replacements
- PHS Sharlot Hall - Replace Circulation Pumps & Heat Pumps
- DEQ - Air Monitoring Site Upgrades
- DPS Phoenix - Upgrade Campus EMS Controls
- DPS Statewide - HVAC Replacements
- 1101 W Washington (Carnegie) - Replace Condenser Water Pumps, Expansion Tank
- 1700 W Washington - House & Senate Building Upgrades
- 1600 W Monroe - Chiller Plant Fan Coil
- 1600 W Monroe - Air Handler Replacements
- 1600 W Monroe - Make Up Air Pump Replacement
- 1600 W Monroe - Elevator Room Package Unit Replacement
- 1600 W Monroe - Replace 2 Chillers
- 1600 W Monroe - Repair Condensate Stack
- 1740 W Adams - Replace 2 Chillers
- 1801 W Madison - Replace 3 Package HVAC Units
- 1804 W Jackson - Replace Failing HVAC Units
- 1805 W Madison - Replace Failing HVAC Units
- 1901 W Madison - Replace Steam Coil in Parker Boiler
- 1901 W Madison - Replace 5 Hot Water Supply Pumps
- 1901 W Madison - Refurbish 2 Chillers
- 1901 W Madison - Rebuild 2 Cooling Towers
- 801 E Jefferson - Building HVAC Replacements
- 801 E Jefferson - Building Plumbing Repairs
- 400 W Congress - Chiller Replacements
- 1300/1400 W Washington - Move VSD Cooling Lines From Condenser to Chilled Water
- 15 S 15th Ave - Replace Water Source Heat Pumps
- 1831 W Jefferson - Replace Elevator Back Up Battery
- 1789 W Jefferson - Install Isolation Valves and Piping For Fan Coils
- 1200 W Washington - Restroom/Plumbing Replacements
- 1700 W Washington (Tower) - Replace Failing Sewer Piping In Basement
- Capitol Mall - EMS Controls
- 250 N 17th Ave - Building HVAC Repairs

\$8,435,250 INFRASTRUCTURE

This project can include existing roadways, parking lots, sidewalks and walkways, electrical service entrances (SES) and mechanical utilities, water supply and distribution, sanitary and

Arizona Department of Administration (ADOA) Building System
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\$53,594,200

storm sewers, waste treatment, electrical distribution, site lighting, fencing, communications, and security systems such as access control, locks, and camera devices. Many of these type systems have been in a “deferred indefinitely” status for many years and are in an exhausted state of deterioration. Parking lot surfaces have succumbed to long-term erosion, shifting, and settling caused by water penetration of the pavement base and extreme weather conditions exacerbated by the weight of passing traffic. Underground infrastructure for buildings can often be overlooked, however failure of these systems can shut down entire facilities and often require expensive reactive repairs.. The proposed allocation will address critical infrastructure needs throughout the ADOA Building System.

Project deficiencies include:

- ASDB Tucson - Campus Sewer Line Replacement
- DEMA - Silverbell Heliport Road Replacement
- AHS Statewide - Security Upgrades
- DHS ASH - Campus Hot/Cold Water Pumps
- DHS ASH - Replace Domestic Waterline Isolation Valves
- PHS Sharlot Hall - Infrastructure & Sitework Repairs
- ADJC - Site Flood Control
- DPS Statewide - Infrastructure & Sitework Repairs
- Capitol Mall Multiple - Seal and Recoat Parking Lots
- Capitol Mall - Security Upgrades
- 1200 W Washington - Replace Service Entrance Section (SES)
- 1535 W Jefferson - Replace Service Entrance Section (SES)
- 1831 W Jefferson - Replace Service Entrance Section (SES)
- WBP - Replace Plaza Service Entrance Section (SES)

\$2,455,250 BUILDING INTERIOR PROJECTS

Replacement of worn interior flooring, stairway treading, and wall finishes have been in a “deferred indefinitely” status for many years. Many floor coverings, some as old as 20 years, have long been in a deferred status and are in such poor condition they require immediate attention to avert or eliminate safety hazards. Conditions inside State buildings include floor coverings completely worn through, ongoing patch maintenance, extensive damage to common hallway walls, missing or damaged ceiling tiles, stains, unraveling seams and tears, delaminating stairway treads, unsuccessful duct tape repairs, and extensive rippling. ADOA will use these funds to provide a safe and presentable work environment for all State employees and visitors.

Project deficiencies include:

- Capitol Mall Interiors - Carpet/Paint, Repair and Replace
- Agriculture Yuma - Interior Finish Repair/Replacement

Arizona Department of Administration (ADOA) Building System
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\$53,594,200

- DHS ASH - Flooring Replacements
- PHS Sharlot Hall - Interior Rehabilitations

\$862,500 ADA COMPLIANCE

There are numerous ADA deficiencies in the ADOA Building System that require remedy. Deficiencies include building access ramps, sidewalks, bathroom fixtures, drinking fountains, handrails, parking spaces, sites/amenities, and general reconfigurations of entrances and other areas in buildings to facilitate access to services and workplaces for persons with disabilities.

\$500,000 PROJECT SCOPING/PROFESSIONAL SERVICES

This allocation is for scoping and design services for potential and emergency building renewal projects. Some of the building renewal requests ADOA receives for funding consideration have deficient, vague, or very broad scopes of work, no supporting documentation, and insufficient, unreliable, or aged cost estimates. The proposed allocation supports ADOA in the development and implementation of detailed scopes of work that adequately and cost effectively address the requirements of an agency project request.

\$1,900,000 PREVENTATIVE MAINTENANCE

ADOA plans to spend this allocation over two years on preventative maintenance for planned electrical, mechanical, fire, and plumbing maintenance for ADOA-managed facilities on the Capitol Mall and Tucson Complex.

\$2,143,768 BUILDING RENEWAL PROJECT MANAGEMENT EXPENSES

This allocation is to pay for personnel services and employee related expenses (ERE) and other project management related expenses associated with managing building renewal projects. Of the amount appropriated to ADOA for FY 2023 Building Renewal, ADOA may allocate up to five percent for project management related expenses. ADOA is allocating four percent (4%) of the appropriated amount for building renewal project management expenses.

\$173,971 RISK MANAGEMENT CONSTRUCTION INSURANCE PREMIUM

The ADOA General Services Division (GSD) pays a 0.34% Construction Insurance Premium from each fiscal year's building renewal appropriation to ADOA State Risk Management for Errors and Omissions (E&O) insurance premiums associated with Construction, Engineering and Architectural (A&E) services contracts.

Arizona Department of Administration (ADOA) Building System
FY 2023 Building Renewal Appropriation Allocation Plan

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\$53,594,200

\$1,600,000 COMPRESSION PLANNING - RELOCATION & RENOVATION

ADOA will expend monies from this allocation to facilitate ADOA's on-going multi-year compression planning efforts. This is a collaborative effort between ADOA and several state agencies to prioritize the backfill of larger and better maintained assets and eliminate inefficient, underutilized and decrepit facilities. Overarching goals for the program are to reduce the state's physical footprint, reduce deferred maintenance, create hoteling & collaborative workspace opportunities, and sustain the Capital Outlay Stabilization Fund (COSF).

To date, compression planning has resulted in a reduction of over 650,000 square feet, and over \$8.8 Million in reduced rental obligations. These funds will support completion of several agency/board relocations including, but not limited to the Board of Pharmacy, Clean Elections, Charter Schools, Board of Education and Board of Executive Clemency.

\$1,102,031 BUILDING RENEWAL EMERGENCY/CONTINGENCY ALLOCATION

ADOA will expend monies from this allocation to repair or replace failed or failing fire and life safety, HVAC, plumbing, electrical, and other building systems in mission critical structures as the need arises.



STATE OF ARIZONA

Joint Committee on Capital Review

STATE
SENATE

DAVID M. GOWAN
VICE-CHAIRMAN
LELA ALSTON
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SINE KERR
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REBECCA RIOS

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LORENZO SIERRA
BEN TOMA

DATE: July 11, 2022

TO: Members of the Joint Committee on Capital Review

FROM: Chandler Coiner, Fiscal Analyst

SUBJECT: Arizona Department of Administration - Consider Recommending FY 2022 Rent Exemption

Request

A.R.S. § 41-792.01(D) authorizes the Director of the Arizona Department of Administration (ADOA), on recommendation from the Joint Committee on Capital Review, to grant a full or partial exemption from the payment of state-owned rental fees if an agency does not occupy their space or lacks the financial resources to make a payment. ADOA requests the Committee recommend a full rent exemption for the State Board of Equalization totaling \$12,200 in FY 2022.

Committee Options

The Committee has at least the following 2 options:

1. The Committee recommends the FY 2022 full rent exemption of \$12,200 for the State Board of Equalization.
2. The Committee does not recommend the full rent exemption.

Key Points

- 1) Statute allows ADOA to grant rent exemptions to agencies who do not occupy their state-owned space or lack resources to make a payment.
- 2) ADOA requests a full rent exemption of \$12,200 for the State Board of Equalization due to lack of financial resources to pay rent.

(Continued)

Analysis

A.R.S. § 41-792.01(D) provides that the rental fee charged to state agencies that occupy state-owned buildings is the greater of the amount reported by the JLBC Staff or the adjusted amount based on actual occupancy.

ADOA annually provides the JLBC Staff the rentable square feet space allocated to agencies that occupy ADOA owned-managed space.

ADOA requests the Committee recommend a full rent exemption for the State Board of Equalization totaling \$12,200 in FY 2022. The State Board of Equalization lacks the financial resources to pay its COSF rent for FY 2022. The board will continue to occupy its space at 400 West Congress. As a result, there will be no corresponding rent offset to COSF.

The FY 2023 Budget Implementation Reconciliation Bill (BRB), as session law, allows ADOA to approve FY 2023 rent exemptions without committee recommendation (though this request is for FY 2022, so it still requires committee recommendation). The BRB requires ADOA to report any rent exemptions to JLBC Staff.

CC:lm

Linda Monsanto

Subject:

FW: FY 2022 COSF partial rent exemption; State Board of Equalization

From: Nola Barnes <nola.barnes@azdoa.gov>

Sent: Monday, June 27, 2022 1:38 PM

To: Rebecca Perrera <RPerrera@azleg.gov>

Cc: Richard Stavneak <jlbcDirector@azleg.gov>; Matt Gress <mgress@az.gov>; Bill Greeney <bgreeney@az.gov>; Andy Tobin <andy.tobin@azdoa.gov>; Ashley Ruiz <ashley.ruiz@azdoa.gov>; Jacob Wingate <jacob.wingate@azdoa.gov>; Theresa Vencill <tvencill@az.gov>; Elizabeth Bartholomew <elizabeth.bartholomew@azdoa.gov>; Elizabeth Thorson <elizabeth.thorson@azdoa.gov>; Ray DiCiccio <ray.diciccio@azdoa.gov>; Jobalena Yates <jobalena.yates@azdoa.gov>; John Hauptman <john.hauptman@azdoa.gov>; Marissa Moreno <marissa.moreno@azdoa.gov>; Shook George <gshook@sboe.az.gov>

Subject: FY 2022 COSF partial rent exemption; State Board of Equalization

Hi, Rebecca.

As you know, A.R.S. § 41-792.01(D) provides that agencies that occupy state-owned buildings shall pay the higher of the amount reported by Joint Legislative Budget Committee (JLBC) Staff or the pro rata share based on actual occupancy. The ADOA Director, on recommendation of the JCCR, may authorize a whole or partial exemption of COSF rent if the agency does not have the financial resources to pay its rent or vacates space after the beginning of the fiscal year.

This email provides notice that ADOA will authorize a partial rent exemption of FY 2022 COSF rent for the State Board of Equalization in the amount of \$12,176.00. The agency does not have the financial resources within its FY22 appropriation to meet all of its obligations.

Please let me know if you have any questions.

Nola

Nola Barnes

Assistant Director | Arizona Department of Administration

General Services Division

1400 West Washington Street; Suite B200 Phoenix, AZ 85007

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d: 602-542-1790

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STATE OF ARIZONA

Joint Committee on Capital Review

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LORENZO SIERRA
BEN TOMA

DATE: July 11, 2022

TO: Members of the Joint Committee on Capital Review

FROM: Morgan Dorcheus, Principal Fiscal Analyst

SUBJECT: ADOA/AHCCCS - Behavioral Health Transitional Shelter

Request

A.R.S. § 41-1252 requires Committee review of the scope, purpose and estimated cost of projects with a total cost of more than \$250,000. The Arizona Department of Administration (ADOA) requests Committee review of a \$5,300,000 project to construct a Behavioral Health Transitional Shelter on behalf of the Arizona Health Care Cost Containment System (AHCCCS).

Committee Options

The Committee has at least the following 2 options:

1. A favorable review of the request.
2. An unfavorable review of the request.

Under either option, the Committee may also consider the following provision:

- A. A favorable review by the Committee does not constitute endorsement of General Fund appropriations to pay ongoing operations and maintenance costs for the Behavioral Health Transitional Shelter.

Analysis

ADOA intends to construct a 12,000 square foot Behavioral Health Transitional Shelter on Arizona State Hospital (ASH) property near Van Buren Street and 24th Street in Phoenix known as Bower Park. The facility will include 50-70 beds, restrooms and showers, kitchen and laundry space, dining and community areas, a covered patio and outdoor area, and office and storage space. In addition, the

(Continued)

Key Points

- 1) ADOA will construct a 12,000 square foot Behavioral Health Transitional Shelter on the Arizona State Hospital campus at a cost of \$5.3 million.
- 2) The facility will house persons designated with serious mental illness who are likely to be homeless after discharge from institutional settings and provide support services and permanent housing coordination.
- 3) Construction costs will be funded by existing Housing Trust Fund and ARPA State and Local Fiscal Recovery Fund distributions.
- 4) AHCCCS has selected 2 vendors to operate the facility and will provide \$2.0 million in operational support for the first 24 months.

shelter will include a co-located outpatient health care clinic. The clinic will have a separate entrance and will serve both the residents of the transitional shelter and the general community.

The transitional shelter will be utilized as a step-down facility for persons designated with serious mental illness who are likely to experience homelessness after discharge from an institutional setting, such as a hospital, jail, or other residential facility. The shelter will include support services and permanent housing coordination for residents. AHCCCS anticipates the average length of stay will be between 120 and 180 days, but longer stays (up to 2 years) will be available for residents benefiting from additional support.

Construction Costs

AHCCCS plans to spend \$3.0 million from a FY 2020 Housing Trust Fund distribution and \$2.3 million from a State and Local Fiscal Recovery Fund (American Rescue Plan Act) distribution, for total construction costs of \$5.3 million. Total project costs per square foot are \$442, while direct construction costs per square foot are \$360.

The project will be completed through a commercial pre-engineered building contract. ADOA expects the facility to be ready for occupancy by August 2023. Upon completion of the project, ASH will be the owner of the facility.

Operations and Maintenance Costs

AHCCCS issued a Request for Proposals (RFP) in November 2021 to select an organization to operate the transitional shelter and outpatient clinic and has awarded a joint contract to 2 vendors to provide these services. AHCCCS will provide a one-time payment of \$300,000 to fund start-up costs of the facility. In addition, AHCCCS will make monthly payments of \$70,883 for 24 months, or \$1.7 million total, for operations costs that are not eligible for Medicaid reimbursement. These costs will be paid using State and Local Fiscal Recovery Fund monies.

Although ASH will own the facility, its operations will be programmatically separate from ASH, and ASH will not provide funding for its operations. The vendors selected through the RFP process will be responsible for making rent payments to ASH, furnishing the facility and purchasing equipment, providing support services for facility residents, and any other ongoing operations and maintenance costs associated with the transitional shelter and outpatient clinic.

The RFP allowed for an initial contract term of 3.5 years, which includes an 18-month start-up period and a 24-month operational period. The contract also allows for an 18-month extension, for a maximum term of 5 years.

Douglas A. Ducey
Governor



Andy Tobin
Director

ARIZONA DEPARTMENT OF ADMINISTRATION

OFFICE OF THE DIRECTOR
100 NORTH 15TH AVENUE, SUITE 302
PHOENIX, ARIZONA 85007

June 30, 2022

The Honorable Regina E. Cobb, Chairman
Joint Committee on Capital Review (JCCR)
Arizona House of Representatives
1700 West Washington Street
Phoenix, Arizona 85007



The Honorable David M. Gowan, Vice Chairman
Joint Committee on Capital Review (JCCR)
Arizona State Senate
1700 West Washington Street
Phoenix, Arizona 85007

Dear Representative Cobb and Senator Gowan:

A.R.S. §41-1252 requires that the Joint Committee on Capital Review (JCCR) shall review expenditure plans for any capital project with an estimated cost of more than \$250,000. The Arizona Department of Administration (ADOA) General Services Division (GSD) is performing construction project management on behalf of the Arizona Health Care Cost Containment System (AHCCCS) for the proposed construction of a new transitional housing facility and co-located health care clinic (transitional facility). The project budget is \$5,300,000. The transitional facility will be located on the northeast corner of Van Buren Street and 24th Street, on State property at the Arizona State Hospital.

ADOA respectfully requests placement on the next scheduled JCCR agenda for review of the capital project. Attached you will find an AHCCCS Transitional Facility Project Summary with pertinent information. If you have any questions regarding construction related matters for the transitional facility project, please contact John Hauptman, Deputy Assistant Director, ADOA GSD, at 480-322-8031 or by email at john.hauptman@azdoa.gov.

Sincerely,

A handwritten signature in black ink, appearing to read "Andy M. Tobin".

Andy Tobin
Director

cc: Richard Stavneak, Director, JLBC Staff
Rebecca Perrera, Assistant Director, JLBC Staff
Matt Gress, Director, OSPB
Bill Greeney, Deputy Director, OSPB
Theresa Vencill, Capital Budget Analyst, OSPB
Elizabeth Thorson, Deputy Director, ADOA
Nola Barnes, Assistant Director, ADOA
Jacob Wingate, Chief Financial Officer, ADOA
Elizabeth Bartholomew, Legislative Liaison, ADOA
Jami Synder, Director, AHCCCS
Shelli Silver, AHCCCS

AHCCCS Transitional Facility Project Summary

1

Project Summary:

Construct a new 12,000 sqft homeless mentally ill transitional facility with approximately 50 - 70 beds and a co-located health care clinic, located on the northeast corner of Van Buren Street and 24th Street, on State property at the Arizona State Hospital. This project includes:

- Intake/Reception
- Back Office
- Space for group and 1:1 supportive services
- Breakroom
- Storage/Laundry
- Prep/Warming Kitchen
- Dining/Community Area
- Restrooms/Shower
- Outpatient Clinic
- Shaded Patio/Turf Area

ADOA General Services Division (GSD) awarded the design to LEA Architects on November 8, 2021 and the design is approximately 60% complete. ADOA awarded the construction contract to Colton Construction in January 2022 via a commercial pre-engineered building contract. The project is expected to take 13 months to complete with approximate occupancy in August, 2023.

Project Funding:

\$3,000,000 - State Housing Trust Fund via Arizona Department of Housing

\$2,300,000 - American Rescue Plan Act (ARPA) State and Local Fiscal Recovery Funds (SLFRF)

\$5,300,000 - Total Estimated Project Cost

Project Budget:

Construction & Design costs

General Contractor - Colton Construction	\$4,315,540.00
Architectural Services - LEA Architects	\$320,320.00
Permits, Data/IT, Security, Utilities (Allowance)	\$664,140.00
TOTAL	\$ 5,300,000.00

Project Justification/Need:

Since 2017, homelessness in Arizona has increased dramatically. Just within Maricopa County, the total homeless population has increased more than 61% over the last five years including an increase of over 100% in those who are unsheltered due to lack of shelter capacity and affordable housing.

Within the rise in homelessness has been a similar rise in the number of persons considered “chronically” homeless, those persons with disabilities related to physical or behavioral health conditions and long or frequent bouts of homelessness. While chronically homeless persons only represent about 12% of the homeless population, their overall numbers have increased 37% since 2017, including a 22% increase just since 2020.

Overall, unsheltered homeless populations present immediate public health concerns due to crowding, limited access to hygiene and sanitation facilities, access to preventative health services, and poor nutrition. These issues, especially for chronically homeless individuals, further complicate conditions related to age, chronic or compromised physical health conditions, poverty, and the prevalence of mental health issues (including substance use disorders (SUDs)) that may impair the ability to care for oneself or to access appropriate shelter or services.

The lack of shelter capacity also creates barriers for the physical and behavioral health care and other institutional providers (i.e. criminal justice system) who often have limited discharge options upon release. The lack of adequate, safe, programmatically supportive discharge and post homeless facilities leads many individuals to cycle through hospitals, behavioral health, jails, as well as the streets at a high cost to these systems.

Solution:

AHCCCS proposes to leverage and supplement an existing *\$3.0 million* in State Housing Trust Fund monies designated for the establishment of a transitional facility, for persons designated with serious mental illness who are experiencing homelessness or likely to be homeless at institutional discharge, with *\$2.3 million* in ARPA SLFRF funding to address rising construction costs.

The proposed facility is based on evidence-based practices developed during the Public Health Emergency (PHE) response to reduce recidivism and ongoing homelessness by providing a transitional facility with outpatient supportive services and housing coordination to assist these hard to serve members transition to permanent supportive housing necessary to mitigate poor health outcomes.

The transitional facility will:

AHCCCS Transitional Facility Project Summary

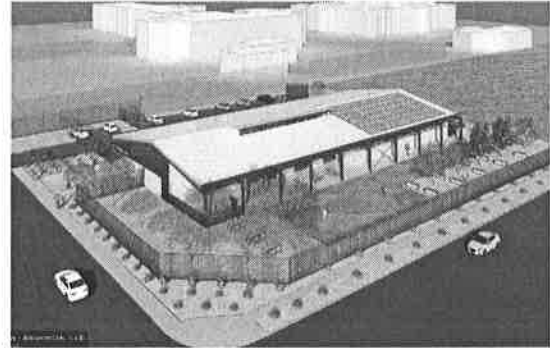
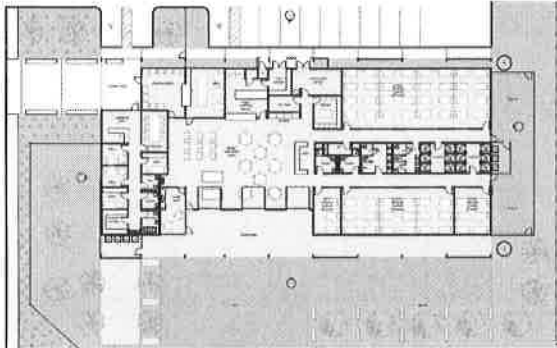
3

- Serve as a discharge or step-down option from institutional settings including hospitals, residential behavioral health facilities, prison, jail, or crisis facilities for persons meeting the eligibility criteria;
- Collaborate with the local CoC Coordinated Entry system to connect persons with significant behavioral health needs in the homeless system or on the street with appropriate shelter and support services while reducing their impact on the general homeless system;
- Provide a limited number of beds (50 to 75) in a more dispersed setting to provide appropriate distancing. The requested additional capital funding allows for a larger facility and amenities including those for supportive programmatic supports;
- Be operated by an organization capable of providing Medicaid reimbursable supports and services through a separate but co-located, licensed, “integrated clinic”;
- Respond to immediate needs, conduct needs assessments, promote service engagement, and assist in housing planning and transition, and
- Allow for longer lengths of stay (up to two years) than emergency shelters with available supportive services to assist in addressing permanent supportive housing (PSH) or other longer-term housing options and connection to Medicaid reimbursable and other supportive services. The average length of stay goal will be between 120 and 180 days but longer lengths of stay will be available for persons with complex cases or in need of additional support.

A site at the Arizona State Hospital has been identified and initial plans have been developed such that construction and operation will provide additional infrastructure to address current system needs and ongoing COVID-19 or other public health threats.

AHCCCS Transitional Facility Project Summary

4





STATE OF ARIZONA

Joint Committee on Capital Review

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LORENZO SIERRA
BEN TOMA

DATE: July 11, 2022

TO: Members of the Joint Committee on Capital Review

FROM: Geoffrey Paulsen, Principal Fiscal Analyst

SUBJECT: Arizona Department of Corrections - Review of FY 2023 Capital Projects

Request

The Arizona Department of Corrections (ADC) is requesting review of \$104,415,400 in capital expenditures. There are 3 components to the department's request.

A.R.S. § 41-1252 requires Committee review of expenditure plans for building renewal monies. ADC is requesting the Committee review its FY 2023 Building Renewal Allocation Plan. The FY 2023 Capital Outlay Bill appropriated a total of \$36,415,400 to ADC for general building renewal. The expenditure plan includes a total of 73 projects across all state prisons.

A.R.S. § 14-1252 also requires Committee review of capital projects with estimated costs exceeding \$250,000. ADC is requesting the Committee review its expenditure plan for the first year of a 4-year project to replace evaporative cooling systems with air conditioning. The FY 2023 Capital Outlay Bill appropriated \$47,600,000 to ADC for this purpose. ADC is also requesting the Committee review its expenditure plan for door, lock and fire system replacements. The FY 2023 Capital Outlay Bill appropriated a total of \$20,400,000 to ADC for this purpose.

Committee Options

The Committee has at least the following 2 options:

1. A favorable review of the requests.
2. An unfavorable review of the requests.

(Continued)

Key Points

- 1) The FY 2023 budget appropriated \$36.4 million for ADC building renewal. The ADC proposal includes:
 - a. \$9.1 million for road and pavement projects.
 - b. \$6.9 million for electrical, lighting and IT infrastructure projects.
 - c. \$6.8 million for roof repairs and replacements.
- 2) The FY 2023 budget included \$47.6 million for the first year of a 4-year project to replace all evaporative cooling systems with air conditioning. With the FY 2023 appropriation, ADC plans to complete the upgrades at Eyman prison and begin upgrades at Perryville prison.
- 3) The FY 2023 budget included \$20.4 million for door, lock and fire system replacements. ADC's proposal would fund projects at Lewis, Tucson, Perryville and Eyman prisons.

Analysis

FY 2023 Building Renewal

The FY 2023 Capital Outlay Bill appropriated \$36.4 million to ADC for general building renewal. Of this amount, \$30.5 million was appropriated from the General Fund and \$5.9 million was appropriated from the Department of Corrections Building Renewal Fund. This amount represents 100% of their building renewal formula funding.

The FY 2023 Building Renewal Plan includes a total of 73 individual projects (see *Table 1* for a summary of planned expenditures. For a detailed list of projects, please see the attached document).

Table 1

FY 2023 Building Renewal Plan

Road and Pavement Projects	\$ 9,130,000
Electrical, Lighting and IT Infrastructure Projects	6,921,700
Roof Repairs and Replacements	6,790,100
Fire Alarm, Gas and Fuel Projects	5,348,400
Plumbing, HVAC and Water Projects	4,176,800
Security Projects	2,561,800
Other Projects	<u>1,486,600</u>
Building Renewal Total	\$36,415,400

Statewide HVAC Upgrade Project

The FY 2023 Capital Outlay Bill appropriated a \$47.6 million from the General Fund to ADC for the first-year cost of a 4-year project to replace evaporative cooling systems in prison units with air conditioning. The total 4-year cost is expected to be \$132.8 million. ADC plans to spend \$40.0 million to complete upgrades at the Eyman Prison and \$7.6 million for Phase 1 of upgrades at the Perryville Prison.

ADC did not provide details on how their expenditure estimate was derived. We have asked ADC for additional information.

(Continued)

Door, Lock and Fire System Replacements

The FY 2023 Capital Outlay Bill appropriated \$20.4 million from the General Fund to ADC to replace doors, locks and fire suppression systems. ADC plans to use this funding at the Lewis, Tucson, Perryville and Eyman prison (see *Table 2* for detail).

Table 2	
FY 2023 Door, Lock and Fire System Replacements	
Fire system upgrades in Stiner, Bachman, Barchey, Eagle Point and Sunrise units – Lewis	\$14,745,800
Repair and replace locking doors and control systems in Manzanita, Winchester, Santa Rita units – Tucson	2,310,000
Repair and replace manual and electrical security systems – Perryville	2,169,200
Repair and replace fire alarm system in Rast Unit – Lewis	850,000
Upgrade door locking systems for bathrooms – Eyman	325,000
Total	\$20,400,000

As with the prior item, ADC did not provide details on how their expenditure estimates were derived. We have asked ADC for additional information.

Quarterly Reports

Pursuant to A.R.S. § 41-794, ADC is required to submit quarterly reports to JLBC Staff on the status of all capital projects and capital expenditures for which monies are appropriated. These reports are intended to track each agency's actual expenditures.

GP:lm



DOUGLAS A. DUCEY
GOVERNOR

Arizona Department of Corrections Rehabilitation & Reentry

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DAVID SHINN
DIRECTOR

July 5, 2022

The Honorable Regina E. Cobb
Chairman, Joint Committee on Capital Review
Arizona House of Representatives
1700 West Washington
Phoenix, AZ 85007

The Honorable David M. Gowan
Vice-Chairman, Joint Committee on Capital Review
Arizona State Senate
1700 West Washington
Phoenix, AZ 85007



RE: Submission for Review of FY2023 Building Renewal Funding Plans, Statewide Replacement of Evaporative Cooling Systems, and Statewide Door, Lock and Fire Systems Replacement Funding

Dear Representative Cobb and Senator Gowan:

The Arizona Department of Corrections, Rehabilitation, & Reentry (ADCRR) requests placement on the next meeting agenda of the Joint Legislative Committee on Capital Review (JCCR) to review plans for the FY2023 Building Renewal Funding Plans, Statewide Replacement of Evaporative Cooling Systems, and the Statewide Door, Lock and Fire Systems Replacement Funding. The attachments detail the projects that will be completed with the FY2023 allocations.

If additional information is needed, please do not hesitate to contact me at (602) 542-5225.

Sincerely,

David Shinn
Director

Enclosures

cc: Matthew Gress, Director, Governor's Office of Strategic Planning and Budgeting
Richard Stavneak, Director, Joint Legislative Budget Committee
Caroline Dudas, Budget Analyst, Governor's Office of Strategic Planning and Budgeting
Geoffrey Paulsen, Senior Fiscal Analyst, Joint Legislative Budget Committee

ADCRR Fiscal Year 2023 Building Renewal Funding Projects

Priority	Location	Project Description	Scope of Work	Cost
1	Tucson	Remodel Catalina unit for IPC configuration	Configure catalina housing units for IPC configuration	\$ 1,250,000
2	Lewis	Eagle Point Close modifications	Complete security upgrades to locking systems for close custody	\$ 736,000
3	Safford/Graham	Emergency Generator #1 Replacement	Replace existing 750kw generator and transfer switch. Existing generator and transfer switch were installed in 1986 and are near the end of their useful life.	\$ 735,000
4	Safford/Graham	Emergency Generator #2 Transfer Switch Replacement	Replace existing 800 amp transfer switch. Existing transfer switch was installed in 1992 and is near the end of its useful life.	\$ 35,660
5	Yuma	Repair potable water well #2	Repair potable water well #2	\$ 150,000
6	Eyman	Underground armored DATA cable complex wide	All new armored cable	\$ 425,000
7	Globe	Globe Fire pump and suppression system	Replace life safety systems which are at end of life. Fire sprinklers and pump	\$ 550,000
8	COTA	Fire Alarm System Upgrade	Engineer & build a code-compliant fire alarm system	\$ 650,000
9	Eyman	Building 3 roof replacement	Building 3 needs a roof replacement. Apply 3 coat system	\$ 350,000
10	Yuma	Cheyenne Perimeter lights	Install new LED lights on perimeter	\$ 250,000
11	Yuma	Dakota Perimeter lights	Install new LED lights on perimeter	\$ 250,000
12	Eyman	Replace fuel tanks	Replace underground fuel tanks	\$ 475,000
13	Tucson	Repair and replace Fire Alarm system Cimmaron Unit	Install new life safety components to include fire alarm system at Cimmaron unit.	\$ 1,125,000
14	Perryville	Replace generators to Santa Cruz, San Pedro	Generators for the main warehouse, Santa Cruz and San Pedro have exceeded life span and need replacement	\$ 750,072
15	Eyman	Installation of new cameras throughout Eyman	Update old analog camera system to digital camera systems	\$ 550,000
16	Tucson	Replace Quartz Light Poles Complex Wide with LED's	Replace Quartz Light Poles with LED's including Conduit (Perimeter security)	\$ 250,000
17	Douglas	Install interior security fencing Eggers Unit	Install interior security fencing on west side of unit to complete second fence	\$ 150,000
18	Lewis	Replace sallyport controls	Replace sallyport gate controls and electronic systems	\$ 625,000
19	Eyman	LED lighting throughout complex	Replace inmate living areas with LED lights	\$ 150,000
20	Safford/ Ft. Grant	Fort Grant Electrical System/ Fiber System	Remove old wooden power poles and replace with new poles. Run new fiber system for data.	\$ 1,350,000
21	Tucson	Install security Led lights Cimmaron Unit	Install led security light fixtures to meet ADA stds for lighting(20ft candle) at grooming station	\$ 330,000
22	Safford	Medical and Dental space renovations	Renovate medical and dental space	\$ 400,000
23	Winslow	Complex and Apache Water Tanks	Clean and resurface Water Tanks at Complex and Apache	\$ 700,000
24	Winslow	Replace fuel tanks	Replace underground fuel tanks with above ground tanks	\$ 475,000
25	Phoenix	Alhambra renovations to Rec yard enclosures	Install rec yard enclosures for sep inmates	\$ 236,300
26	Yuma	Cheyenne Shower upgrades Detention unit	Upgrade Showers (Conditions of Confinement)	\$ 120,000
27	Yuma	Fiber optic upgrades	Upgrade fiber optic system	\$ 450,000
28	Safford	Repair roads parking, perimeter roads and parking	Need to repair, parking lots, perimeter (staff safety)	\$ 1,200,000
29	Yuma	Upgrade fire alarm system Cheyenne	Upgrade fire alarm system	\$ 2,126,358
30	Yuma	Replace Dakota electrical gear	Upgrade electrical SES switch gear	\$ 126,000
31	Tucson	Repair and replace main gate sallyport	Install new sliding gate on main gate sallyport	\$ 339,536
32	COTA	Replace DA Dishwasher	Replace existing DA Dishwasher that is over 20 years old.	\$ 45,000
33	Yuma	Lift station control panels	Replace lift station control panels	\$ 61,200
34	Lewis	PRV replacement	Pressure reducing valve for main water line needs replacement	\$ 166,000
35	Winslow	Complex Roof Replacement	Replace shingle and flat roofs with Metal and new flat roofs	\$ 547,296
36	Winslow	Coronado Roof Replacement	Replace shingle and flat roofs with Metal and new flat roofs	\$ 746,799

37	COTA	Replace Auditorium A/C Unit	Current Auditorium is R22 - Need to Replace and Fit for New System	\$ 50,000
38	Winslow	Complex Water Tank	Install new 400k water tank for the complex(utilities upgrade)	\$ 700,000
39	Lewis	Water Plant Upgrades	Upgrade wastewater plant valving and controls	\$ 750,000
40	Douglas	Walk-in door replacement	Replace walk in doors in food service	\$ 50,000
41	Phoenix	Alhambra roof renovation	Remove and replace roof system on Alhambra Unit	\$ 150,000
42	Lewis	Main Entrance bldg Air Conditioning	Upgrade main entrance with A/C non inmate area. Evap coolers are damaging electric equip	\$ 250,000
43	Perryville	Re-pave perimeter roads and parking lot	Pave the perimeter roads and parking lots of Perryville Complex	\$ 2,500,000
44	Phoenix	Flamenco roof renovation	Remove and replace roof system on Flamenco Unit	\$ 150,000
45	Phoenix	Alhambra electrical upgrade	Upgrade Alhambra's electrical infrastructure	\$ 245,000
46	Tucson	Upgrade electrical system throughout complex	Install new transformers for electrical system on Rincon and Manzanita	\$ 250,000
47	Perryville	Roofing repairs	Complex wide roofing repairs	\$ 750,000
48	PRC	Fire Alarm System Upgrade	Fire Alarm System replacement at Pima Reentry Center	\$ 321,000
49	Eyman	Meadows Rec fence and restrooms security fence	Install restrooms/phones and fencing at Meadows	\$ 390,000
50	Tucson	Repairs to staff offices	Replace siding and roofing, they are failing and need replace to prevent water infiltration	\$ 175,000
51	Tucson	Food factory renovation	Upgrade food factory (inmate food service)	\$ 250,000
52	Winslow	Kalbab Roof Replacement	Replace flat roofs with Metal and new flat roofs	\$ 1,500,000
53	Safford/Tonto	Roof replacements	Replace existing roof membranes on 8 buildings. Original Firestone membranes were installed in 1992 and are near the end of their useful life.	\$ 510,000
54	Safford/Ft Grant	Inmate Bathroom Renovations	Remodel bathrooms in inmate living areas including plumbing fixtures, tile showers, walls, floors, lighting and paint. Existing bathrooms have not been upgraded in more than 20 yrs	\$ 82,500
55	Lewis	Lewis re-pave perimeter roads and parking areas	Re-pave perimeter roads and parking areas	\$ 2,500,000
56	Safford/Tonto	Inmate Bathroom Renovations	Remodel bathrooms in inmate living areas including plumbing fixtures, tile showers, walls, floors, lighting and paint. Existing bathrooms have not been upgraded in more than 20 yrs	\$ 63,254
57	Apache	Re-concrete inner perimeter side walk and curb.	Remove and replace all sidewalks and curbs on inner perimeter	\$ 40,000
58	Apache	Remodel training building trailer	Repair and replace roof, doors, and bathroom fixtures	\$ 20,000
59	Yuma	Cheyenne CDU New Roof	Replace Roof with 3 coat system	\$ 1,250,000
60	Yuma	Cibola / La Paz Shower upgrades	Repair showers in housing unit(Conditions of Confinement)	\$ 80,000
61	Douglas	Mohave North Rec yard restroom	Install restroom north recreation yard	\$ 15,000
62	Douglas	Mohave program building roof upgrade	Upgrade with new roofing materials	\$ 32,000
63	Kingman	Roof repairs Huachuca and Cerbat	Complete roofing repairs to Huachuca and Cerbat	\$ 300,000
64	Yuma	Water tank floor repairs	Repair floors in water tanks	\$ 180,000
65	COTA	Gas Pipeline	Replace existing natural gas pipeline system	\$ 176,000
66	Safford/Tonto	HVAC Upgrade	Replace existing evaporative coolers with modern HVAC units. None inmate areas	\$ 105,000
67	Yuma	WWTP upgrades to include blowers	Upgrade equipment at waste water treatment plant	\$ 135,000
68	Eyman	Re-pave perimeter roads and parking lot	Re-pave perimeter roads and parking areas	\$ 2,140,000
69	Douglas	Gila water valve Upgrades	Replace and repair water valves	\$ 35,000
70	Marana	Complete roofing repairs throughout complex	Complete roofing repairs throughout complex	\$ 309,000
71	Phoenix	Alhambra Parking lot	Pave parking lots	\$ 750,000
72	Douglas	Complex, mail, property and washer replacement	Upgrade mail, property and washer	\$ 31,000
73	COTA	Dorm 8 Remodel	Renovate bathrooms, flooring and plumbing in Dorm 8 (32 Rooms)	\$ 304,425

\$ 36,415,400

ADCRR Fiscal Year 2023 Door, Lock, and Fire / Life Safety Funding Projects

Priority	Location	Fire and Security Projects	Scope of Work	Cost
1	Lewis	Fire systems upgrade to East side Units and Eagle point	Repair and replace fire alarm system Stiner, Bachman, Barchey and Eaglepoint, Sunrise	\$ 14,745,800
2	Lewis	Replace Rast Max fire alarm system	Repair and replace fire alarm system	\$ 850,000
3	Tucson	Manzanita, Winchester, Santa Rita Door Controls	Repair and replace failing locking door and control systems for security doors	\$ 2,310,000
4	Perryville	Manual and electrical security upgrades	Repair and replace electrical security upgrades	\$ 1,825,700
5	Eyman	Door Locking System	Eyman Upgrade door locking system for bathrooms	\$ 325,000
6	Perryville	Perryville manual and Electrical Security Upgrades	Replace manual and electrical security systems	\$ 343,500

\$ 20,400,000

ADCRR Fiscal Year 2023 Statewide Evaporative Cooler Replacement Funding Projects

Priority	Location	Replace Evap Cooling Statewide with HVAC	Scope of Work	Cost
1	Eyman	Replace evap coolers with HVAC	Install new HVAC on all new inmate housing units replacing Evap systems	\$ 40,029,987
2	Perryville	Replace evap coolers with HVAC/ Phase 1	Install new HVAC on all new inmate housing units replacing Evap systems	\$ 7,570,013

\$ 47,600,000



STATE OF ARIZONA

Joint Committee on Capital Review

STATE
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PHOENIX, ARIZONA 85007

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BEN TOMA

DATE: July 11, 2022

TO: Members of the Joint Committee on Capital Review

FROM: Micaela Larkin, Assistant Director

SUBJECT: Arizona Game and Fish Department – Review of FY 2023 Building Renewal, Property Maintenance, and Dam Maintenance Allocations and Other Capital Projects

Request

A.R.S. § 41-1252 requires Committee review of expenditure plans for monies appropriated for building renewal and capital projects and for any capital project with an estimated cost of more than \$250,000. The Arizona Game and Fish Department (AGFD) requests the Committee review a total of \$3,757,600 for 25 projects.

Committee Options

The Committee has at least the following 2 options:

1. A favorable review of the request.
2. An unfavorable review of the request.

Key Points

- The AGFD is seeking a review of \$1.85 million for 21 projects from Game and Fish funds appropriated in the FY 2023 budget: \$1.46 million for 19 building renewal projects, \$300,000 for property maintenance, and \$150,000 for dam maintenance.
- The AGFD also is seeking review of \$1.9 million for 4 other capital projects:
 - \$978,000 from the State Lake Improvement Fund for a Parker Canyon boat ramp.
 - \$150,000 from donation funds/Game and Fish Fund for improvements to the wildlife center quarantine building.
 - \$752,000 for 2 projects from federal Dingell-Johnson Boating Access Grant monies.

(Continued)

Analysis

FY 2023 Building Renewal Allocation Plan

The FY 2023 Capital Outlay Bill appropriated a total of \$1.46 million from the Game and Fish Fund for building renewal, which provides for the major maintenance and repair of state-owned buildings.

Please see *Table 1* below.

Table 1	
FY 2023 Building Renewal Plan	
<u>Regional Office Projects</u>	
Flagstaff – Pavement Maintenance and Drainage Improvements	\$ 100,000
Flagstaff – Security Gate Replacement	18,000
Mesa – Pavement Maintenance & Drainage Improvements	100,000
Pinetop – Security Camera Upgrade	55,000
Pinetop – Roof Improvements	<u>50,000</u>
Subtotal	\$ 323,000
<u>Wildlife Areas, Hatcheries, and Other Properties</u>	
Cluff Ranch Wildlife Area – Building Repairs	\$ 150,000
Robbins Butte Wildlife Area – Residence and Shop Building Improvements	65,000
Raymond Wildlife Area – Upgrade Solar System Headquarters	40,000
Whitewater Draw Wildlife Area – Structural, Electrical, and Plumbing Repairs	25,000
Page Springs Hatchery – Emergency Generator to Ensure Water Supply	100,000
Bubbling Ponds/Page Hatchery – Replace Septic System	50,000
Canyon Creek Hatchery – Replace Doors and Locks	38,000
Horseshoe Ranch Property – Roof Replacement	113,000
Jacob Lake Property – Field Residence Bathroom Improvements	<u>25,000</u>
Subtotal	\$ 606,000
<u>Shooting Ranges</u>	
Ben Avery Shooting Area – Roofing and ADA Improvements to Smallbore Building	\$ 125,000
Ben Avery Shooting Area – Campground Bathroom Modernization and ADA Improvements	<u>175,000</u>
Subtotal	\$ 300,000
<u>Maintenance and Emergency Allocations</u>	
Preventative Maintenance	116,800
Emergency Allocation	75,000
State Headquarters – Major Maintenance Fund	<u>28,900</u>
Subtotal	\$ 220,700
Unallocated	\$ 9,900
Total	\$1,459,600

(Continued)

Regional Offices

As background, regional offices serve as a base of operations for AGFD personnel in their respective geographical areas and typically employ around 30 employees. The FY 2023 Building Renewal plan includes \$118,000 for repairing pavement, improving drainage and installing a security gate that can be safely used during the winter at the Flagstaff Office, \$100,000 for pavement and drainage improvements at the Mesa office, and \$105,000 for the Pinetop Office to update a security camera and install materials on the roof to improve drainage by shifting water away from the building which will reduce the destruction of sidewalks and the formation of icy pathways during the winter.

Wildlife Areas, Hatcheries, and Other Properties

Wildlife areas are habitats of recreational or wildlife conservation significance that employ a full-time manager on-site, and fish hatcheries produce the sportfish stocked throughout Arizona lakes. The plan includes \$606,000 for building repair and maintenance at department managed wildlife areas, hatcheries, and other properties. This includes:

- \$280,000 for improvements at department managed wildlife areas including \$150,000 for renovations to residence and shop buildings at the Cluff Ranch Wildlife Area (Graham County), \$65,000 for improvements to the residence and shop building at the Robbins Butte Wildlife Area (Maricopa County), \$40,000 to fix the solar power system that is currently not meeting the site's daily energy needs at the Raymond Wildlife Area (Coconino County), and \$25,000 to address structural, electrical, plumbing issues to meet building codes at Whitewater Draw Wildlife Area (Cochise County).
- \$188,000 for improvements at hatcheries including the replacement of the septic system at Bubbling Ponds/Page Property (Yavapai County), the purchase of a generator to ensure the drinking water supply will not be compromised at Page Springs if the electricity goes out, and the replacement of doors at the Canyon Creek Hatchery. (Coconino County)
- \$138,000 for renovation and replacement at other department facilities including \$25,000 to repair the bathroom at the Jacob Lake field site (Coconino County). This project was approved by the JCCR in FY 2019 but was not completed due to issues with the contractor. The monies lapsed. An additional \$113,000 is to install a new roof on 2 buildings at Horseshoe Ranch (Yavapai County). The department uses the facility to house employees/agency partners and for Game and Fish meetings, events, and work.

Shooting Ranges

The plan includes \$300,000 for renovations at the department's shooting facilities. This includes \$175,000 to modernize a bathroom with water and pest damage at the facility's campground. The bathroom does not meet current Americans with Disability Act (ADA) standards for accessibility. An additional \$125,000 is to repair the roof and electrical outlets of the Smallbore building at the Ben Avery shooting range. This is the first major renovation of the building. The monies will also be used to make the restroom and classroom in the facility ADA accessible.

Maintenance and Emergency Allocations

The plan includes an allocation of \$75,000 reserved for emergency issues, an allocation of \$116,800 (8% of the building renewal appropriation) that can be used for preventative maintenance per statute, and \$28,800 for deposit to a fund that covers future cyclical maintenance expenses for the Game and Fish headquarters.

(Continued)

FY 2023 Property Maintenance Allocation

The FY 2023 Capital Outlay Bill included \$300,000 for property maintenance from the Game and Fish Fund.

FY 2023 Dam Repair Allocation

The FY 2023 Capital Outlay Bill included \$150,000 for Dam Repair from the Game and Fish Fund. AGFD owns and operates 38 dams in the state. They routinely inspect the dams and identify maintenance activities such as vegetation removal, clearing debris from spillways, removing animal burrows, and ensuring monitoring systems are in working order. These annual maintenance needs exceed the base federal monies that they have for dam maintenance. The \$150,000 is used to supplement these costs and leverage federal dollars.

Additional Capital Projects

The department is seeking review of 4 capital projects that are funded by the State Lake Improvement Fund, the Dingell-Johnson Boating Access Grant Fund, and the Game and Fish Fund/donation funds. This is comprised of:

- \$978,000 from the State Lake Improvement Fund for a new boat launch at Parker Canyon Lake. On May 12, 2022, the Arizona Outdoor Recreation Coordinating Commission (AORCC) approved this project pursuant to A.R.S. § 5-382. The grant is to construct a new boat launch with ADA trailer parking stalls and include a turnaround area to reduce congestion.
- \$752,000 from federal Dingell-Johnson Boating Access Grant monies. This funds 2 projects:
 - \$282,000 to construct ADA compliant parking stalls in the upper parking lot and construct an ADA compliant sidewalk from the stalls to the boat launch at Show Low Lake.
 - \$470,000 to extend the boat ramp an additional 25 feet to minimize trailers getting stuck and protect the river bottom from deterioration near the loading site at Fisher's Landing.
- \$150,000 from the department's donation funds/Game and Fish Fund for the construction of a structure at the AGFD's Wildlife Center to provide intake shelter as they assess the health and placement of wildlife.

ML:lm

Linda Monsanto

Subject: FW: FYI: Due date for potential JLBC/JCCR items for upcoming agenda.
Attachments: FY23 Building Renewal and Capital Projects Expenditure Plan - June 2022.pdf

From: David Fernandez <dfernandez@azgfd.gov>
Sent: Wednesday, July 6, 2022 10:01 AM
To: Micaela Larkin <MLarkin@azleg.gov>
Cc: Edward Sanchez <esanchez@azgfd.gov>; Chris Cantrell <CCantrell@azgfd.gov>; Doug Cummings <DCummings@azgfd.gov>; Robert Guiles <aguiles@azgfd.gov>; Robert Aldous <raldous@az.gov>; David Gowan <dgowan@azleg.gov>; Regina Cobb <RCobb@azleg.gov>
Subject: Re: FYI: Due date for potential JLBC/JCCR items for upcoming agenda.

Hello Micaela,

Please find attached the Game and Fish Department FY23 Building Renewal and Capital projects Expenditure plan for consideration at the next meeting of the Joint Committee on Capital Review. Please let me know if there are any questions or concerns and I will gladly address them. Thank you!

DAVID FERNANDEZ | LEGISLATIVE POLICY ADMINISTRATOR
ARIZONA GAME AND FISH DEPARTMENT

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Arizona Game and Fish Department Building Renewal and Capital Projects Expenditure Plan Fiscal Year 2023-2024

Overview: Arizona Game and Fish Department (AGFD) maintains more than five hundred facilities within its building and infrastructure system statewide, which comprises a great diversity of types including administrative offices, administrative sites, shooting ranges, actively and passively managed wildlife areas, dams, boating facilities and other recreational improvements. Facilities range in age from historic structures constructed in the 1930s to recently constructed operational and administrative facilities. It is critical that AGFD executes a comprehensive maintenance program that includes scheduled replacement or renovation of major building systems and other infrastructure, circumventing costly repairs and preserving the value and useful life of these mission critical assets. The following is a list of building renewal and capital projects planned for Fiscal Year 2023.

Building Renewal Project Descriptions:

Project: Region 1 Security Camera and System Upgrade

Funding Source: Building Renewal

Category: Maintenance

Need: The security system is dated and runs off only internet explorer, which is now discontinued. In addition the system uses the majority of the bandwidth that comes into the office, resulting in phone issues. These impacts result in our staff not being able to set the alarm when after hour events occur in the conference room as the system will not allow us to only set it in the main office portion of the building like it used to.

Solution: Upgrade the security system and cameras.

Cost Estimate: \$55,000

Impact of Not Approving this Request: The effect of not approving this request will result in AGFD continuing to have intermittent phone issues. AGFD runs the risk of not being aware of a break in if alarms are not set in conjunction with an event in the conference room that occurs after hours, or on weekends. AGFD may potentially lose the ability to access the program since it runs off an application that our agency does not support.



Project: Region 1 Office Roof /Drainage Modification

Funding Source: Building Renewal

Category: Repair and Maintenance

Need: Currently when the regional office receives snow it piles up on the roof on the north side. As the snow slides off it tears off vent pipes associated with a sink and bathroom facility. In addition, because of the poor drainage on the north side of the building ice builds up and poses a safety hazard to employees as well as destroying the sidewalks.

Solution: Apply snow tabs to the roof and redesign the drainage away from the building and infrastructure.

Cost Estimate: \$50,000

Impact of Not Approving this Request: Without these fixes AGFD may result in an employee slipping and hurting themselves. AGFD is committed to providing a quality work environment for its employees and to the active management of habitat to conserve and protect Arizona's wildlife. Deferral of this work will result in increased future costs to bring the facility to standard.



Project: Region 2 Office Security Gates Replacement

Funding Source: Building Renewal

Category: Repair and Maintenance

Need: The Flagstaff Regional office has two security gates whose purpose is to prevent the public from accessing certain areas of the property which secure AGFD equipment and vehicles. The existing gates have never worked properly in Flagstaff's inclement winter weather; which requires employees to manually open them to get their vehicles in and out of the secured areas. On March 8, 2022 three employees were manually opening one of these gates (due to a winter storm). One of the employee's got his hand caught in the roller wheel while manually opening the gate and severely injured his left hand that required surgery and hospitalization. The impending need is to change these gates to be functional throughout the year including Flagstaff's winter stormy months so that employees do not have to place themselves in harm's way by having to manually open these gates.

Solution: Install security gates that operate in the snowy conditions of Flagstaff. The current design is more akin to an environment in Phoenix and has never worked properly. One suggestion is a hinged gate option that doesn't require wheels that lock in the snow that requires personnel to manually drag that gate open to make it operational.

Cost Estimate: \$18,000

Impact of Not Approving this Request: One employee already has had a severe injury due to these inoperable gates. Not replacing these gates will add to the liability of another employee getting injured trying to manually open these gates. Additionally, the Regional office now leaves these gates wide open during snow events, thus defeating the purpose of these gates and opening the possibility of theft to AGFD vehicles and other state property. AGFD is committed to providing a quality work environment for its employees and to the active management of habitat to conserve and protect Arizona's wildlife. Deferral of this work will result in increased future costs to bring the facility to standard.



Project: Jacob Lake Bathroom Remodel

Funding Source: Building Renewal

Category: Repair and Maintenance

Need: This was a project that was approved and secured JCCR dollars to implement in 2019. The Engineering Branch had problems with contractors for this project and it ended up not happening. The JCCR dollars had to be returned in 2021. The proposed action for this request is to complete the other, larger bathroom renovations that are needed; namely adding a shower to the second bathroom to improve efficiencies for staff utilizing the cabin during the course of their field activities.

Solution: Add a shower to the second bathroom which currently does not have that capacity.

Cost Estimate: \$25,000

Impact of Not Approving this Request: Inefficient usage of the bathroom facilities by field staff when coupled with the cabin's demands. Adding a second shower to the other bathroom is sorely needed because this cabin can sleep ten people, but has only one shower to address multiple field activities over the course of its five months of heavy usage by regional, game management, development, and research/contracts programs. AGFD is committed to providing a quality work environment for its employees and to the active management of habitat to conserve and protect Arizona's wildlife. Deferral of this work will result in increased future costs to bring the facility to standard.



Project: Raymond Wildlife Area Headquarters Solar System Upgrades

Funding Source: Building Renewal

Category: Repair and Maintenance

Need: The purpose of this project is to make the current power system function as it is supposed to be designed. The system is designed for the solar components to charge the batteries daily and use that energy to meet all of the power needs of the Wildlife Area. The back-up generator is only supposed to be used sparingly; namely in emergencies or to bridge the energy gaps that occur on cloudy days. Currently the generator is coming on numerous times every single day to just maintain the Wildlife Area's daily power needs. The current system is not meeting the needs of the manned Wildlife Area.

Solution: We had a solar firm come out and analyze the current power system at the ranch headquarters. This firm installed monitoring devices to ascertain the reasons why we have power losses in the system that requires the generator to constantly be running. Those devices showed that there is a deficit of ~6KWh/day. The firm provided three strategies we could employ to ensure the system operates as designed and not be continually in a daily energy deficit.

Cost Estimate: \$40,000

Impact of Not Approving this Request: Not providing a reliable power source to meet the needs of the Wildlife Area including the Area Manager who lives and works on site, and not meeting the other wildlife management needs such as the well pumps that supply water throughout the Wildlife Area. AGFD is committed to providing a quality work environment for its employees and to the active management of habitat to conserve and protect Arizona's wildlife. Deferral of this work will result in increased future costs to bring the facility to standard.



Project: Cluff Ranch Building Repairs

Funding Source: Building Renewal

Category: Repair and Maintenance

Need: Various buildings have been inspected during the quadrennial and are in disrepair. Bathtub is cracked and the epoxy is fracturing. Kitchen cabinets and countertops show signs of water damage and are deteriorating. Multiple issues with drain pipes showing age and filled with sediment as well as old electrical lines needing GFCI or code updates.

Solution: Renovate bathroom, kitchen, in main house. Update plumbing, electrical, gas etc in bunkhouses and shops.

Cost Estimate: \$150,000

Impact of Not Approving this Request: AGFD is committed to providing a quality work environment for its employees and to the active management of habitat to conserve and protect Arizona's wildlife. Deferral of this work will result in increased future costs to bring the facility to standard.



Project: Whitewater Draw Building Repairs

Funding Source: Building Renewal

Category: Repair and Maintenance

Need: Multiple deficiencies were identified during the state inspection. Items selected for repair are primarily related to safety for employees and protection of assets.

Solution: Updating structural, electrical and plumbing to code on various buildings.

Cost Estimate: \$25,000

Impact of Not Approving this Request:

AGFD is committed to providing a quality work environment for its employees and to the active management of habitat to conserve and protect Arizona's wildlife. Deferral of this work will result in increased future costs to bring the facility to standard.



Project : Robbins Butte House and Shop Building Repairs

Funding Source: Building Renewal

Category: Maintenance

Need: On site management is required for this wildlife area in order to provide necessary property maintenance and 24/7 building security. In addition to active management opportunities for Arizona's wildlife and habitat, the wildlife area provides watchable wildlife and wildlife education opportunities to the public.

The Robbins Butte Wildlife Area residence is home to the area manager and is a necessary structure for the site. The current residence is an aged double wide mobile home in need of significant repair and maintenance consisting of exterior paint, broken window, loose floor joists, loose toilet, broken floor tile, master bathroom drawers falling apart and failing lights.

The Robbins Butte Wildlife Area shop is a necessary structure to complete a wide variety of operational tasks. Recent removal of other buildings at the site has increased the need to make this existing shop more usable and efficient. The current shop does not offer sufficient storage, has non-functional climate control, an aged and inefficient office AC unit, and substandard bathroom facilities.

Solution: Paint the exterior of the residence, replace windows, fix floor joices, fix master bathroom drawers and inspect residence electrical circuits. Replace shop swamp cooler and replace office AC unit. Fully remodel the bathroom. Improve electrical system layout to better utilize shop space.

Cost Estimate: \$65,000.00

Impact of Not Approving this Request: AGFD is committed to providing a quality work environment for its employees and to the active management of habitat to conserve and protect Arizona's wildlife. Deferral of this work will result in increased future costs to bring the facility to standard.



Project: Mesa Office Pavement Maintenance and Drainage Repair

Funding Source: Building Renewal

Category: Repair and Maintenance

Need: AGFD owns and operates six Regional Offices around the state (Pinetop, Flagstaff, Kingman, Yuma, Tucson and Mesa). These offices are typically occupied by 25 to 35 permanent staff and act as a base station for law enforcement officers and other field personnel. They are also AGFD's primary customer service locations throughout the state, providing hunting and fishing license sales, boating registration and a variety of information resources regarding Arizona's wildlife. Both the public and employee parking lot are in strong need of repair and resurfacing. In addition, the back patio ADA access for employees connected to the parking lot is sloped incorrectly and causing drainage problems.

Solution: Saw cut, remove and replace damaged asphalt and patio concrete; seal all cracks; apply double seal coat; apply new striping. Ensure sloping is away from the buildings.

Cost Estimate: \$100,000

Impact of Not Approving this Request: Poor parking lot conditions may cause damage to staff and visitor vehicles, pose a risk of walking injury, and detracts from the public's image of AGFD. AGFD is committed to providing a quality work environment for its employees and to the active management of habitat to conserve and protect Arizona's wildlife. Deferral of this work will result in increased future costs to bring the facility to standard.



Project: Flagstaff Office Pavement Maintenance

Funding Source: Building Renewal

Category: Repair and Maintenance

Need: AGFD owns and operates six Regional Offices around the state (Pinetop, Flagstaff, Kingman, Yuma, Tucson and Mesa). These offices are typically occupied by 25 to 35 permanent staff and act as a base station for law enforcement officers and other field personnel. They are also AGFD's primary customer service locations throughout the state, providing hunting and fishing license sales, boating registration and a variety of information resources regarding Arizona's wildlife. Both the public and employee parking lot are in strong need of repair and resurfacing.

Solution: Saw cut, remove and replace damaged asphalt and patio concrete; seal all cracks; apply double seal coat; apply new striping. Ensure sloping is away from the buildings.

Cost Estimate: \$100,000

Impact of Not Approving this Request: Poor parking lot conditions may cause damage to staff and visitor vehicles, pose a risk of walking injury, and detracts from the public's image of AGFD. AGFD is committed to providing a quality work environment for its employees and to the active management of habitat to conserve and protect Arizona's wildlife. Deferral of this work will result in increased future costs to bring the facility to standard.



Project: Horseshoe Ranch Roofing

Funding Source: Building Renewal

Category: Repair and Maintenance

Need: Two buildings at horseshoe ranch currently need new roofs. The current asphalt shingle roofs are over 35 years old and are not currently compliant with the specs and guidelines for AGFD properties which are standing seam steel roofs. The current tiles are peeling off and are flying off with wind speeds less than 15 miles an hour. Going into monsoon season this poses a risk for the buildings because as the winds from monsoon season pick up we risk losing sections of the roof and the exposed building possibly being exposed to flooding and damage with monsoon rains. Last summer a building with the same age and style of roof lost a 5x8 section of roof due to monsoon conditions and was left exposed to the elements for 6 months while contracting could be completed for a new roof and for the work to be completed. The buildings are used to house employees as well as partners of the agency and the public for events ranging from work and research on the ranch, fundraisers, commission meetings, and public events.

Solution: The only current solution to this problem is to completely demo the current roofs and replace them with steel roofing. The current roof is too brittle to patch and fix or to add new material.

Cost Estimate: \$113,000

Impact of Not Approving this Request: The current impact of not improving the roof structures of these buildings is the potential increase of costs associated with the repair of water damage to the building and the possibility of structural damage from repeated monsoon storms to the buildings. There is also the danger to employees and the public on property from debris flying through the air as tiles come off as well as being in buildings as chunks of roof come off. And the increased cost of emergency repairs in response to damage. AGFD is committed to providing a quality work environment for its employees and to the active management of habitat to conserve and protect Arizona's wildlife. Deferral of this work will result in increased future costs to bring the facility to standard.



Project: Bubbling Ponds Hatchery Residence Septic System Design and Construction

Funding Source: Building Renewal

Category: Repair and Maintenance

Need: The Page Property is a 31.5 acre property located approximately 10 miles south of Sedona and 10 miles north of Cottonwood AZ. The property was acquired by AGFD in 2014 through its Heritage Fund for the conservation and protection of native species. The land, water, and resources associated with this acquisition provide the AGFD opportunities to meet Heritage objectives for native species and habitats, as well as provide benefits for other wildlife species. The current septic system for the rock house was based on the original design of the house. Since the house was renovated, added bedrooms and fixtures, the current septic system is not adequate to handle the increased load causing a safety hazard for the environment and residents. In FY'22, the Development Branch provided funding to evaluate and repair the plumbing issues. The contractor discovered that all the water backs up issues were related to the leach field and septic system. The system is not adequate for the current size of the residence and he recommended a new engineering design for the system and reconstruction of the septic system and leach field to correct the issues.

Solution: Design and replace the current, inadequate system, with a new septic system capable of handling the increased load.

Cost Estimate: \$50,000

Impact of Not Approving this Request: A failing septic system can contaminate well water and nearby water bodies. Untreated wastewater is a health hazard and can cause many human diseases. Once this untreated wastewater enters the groundwater nearby wells can be contaminated. If the sewage reaches nearby streams or waterbodies, recreational swimming areas can be contaminated. A failing septic system can also send mold spores back into your home, causing problems for those with asthma and mold allergies. If left untreated, these spores can lead to the growth of dangerous mold in parts of your home that are prone to moisture buildup, such as basements and bathrooms. Mold remediation is an expensive and difficult job, making it that much more important to take care of known septic issues immediately. AGFD is committed to providing a quality work environment for its employees and to the active management of habitat to conserve and protect Arizona's wildlife. Deferral of this work will result in increased future costs to bring the facility to standard.

Arizona Game and Fish Department
Building Renewal and Capital Projects Expenditure Plan
Fiscal Year 2023-2024



Project: Canyon Creek Hatchery Replace and or Repair Facility Doors and Locks

Funding Source: Building Renewal

Category: Repair and Maintenance

Need: Multiple doors are broken and/or missing locks/handles, in 2017 or 2016 development provided multiple locks, but not enough for all doors, since then door condition has degraded, hatchery building, shop and visitors center cannot be locked. It's important to be able to secure these areas of the facility from visitors. We need to be able to properly store and/or secure thousands of dollars of tools in the shop, computers in the offices, hold early stages of fish in the fish building and dangerous chemicals used at the hatchery in our chemical room. In addition four overhead doors at the shop need to be replaced.

Solution: Replace door frames or door and/or hardware in the visitors center, feed building, hatchery building, office, tool shed to onsite and overhead doors at the shop need to be replaced.

Cost Estimate: \$38,000

Impact of Not Approving this Request: The facility is open to the public for self guided tours. Most of the time staff are busy with culture operations or stocking fish. Frequently only one person is working on weekends making it difficult to keep track of visitors. By not having locks in the shop or functional overhead doors, fish culture building, visitor center, office and chemical room we cannot prevent access to the public to these areas. We store some chemicals needed at the facility that need to be properly secured. Also we have a shop with expensive tools that cannot be properly secured. In addition, to the fish culture building. In this building are holded the early stages of fish that need to be excluded from the public due to potential diseases, infection, mortality and biosecurity issues. Finally, to prevent any liability to the AGFD if a visitor gets injured in the shop or chemical room. AGFD is committed to providing a quality work environment for its employees and to the active management of habitat to conserve and protect Arizona's wildlife. Deferral of this work will result in increased future costs to bring the facility to standard.



Project: Page Springs Hatchery Generator and Domestic Water Supply

Funding Source: Building Renewal

Category: Repair and Maintenance

Need: The domestic water tank was installed during renovation in the early 90's and feeds four houses, the office/shop/visitor center and the irrigation system. When the facility loses power, the tank loses prime creating a potable water supply issue. Page Springs is listed with ADEQ as a Public Water System due to the access to the water by the public in the visitor center bathrooms. Also as mentioned this water is used at four of the residences and in the office for drinking water. In FY'22, Development Branch contracted a mechanical company to design an emergency power supply to the office building in order to power the pumps that provide water to the facility, houses and visitor center restrooms. The need is to install an emergency generator as designed by the engineering company.

Solution: In FY'22, Development Branch contracted a mechanical company to design an emergency power supply to the office building in order to power the pumps that provide water to the facility, houses and visitor center restrooms. The need is to install an emergency generator as designed by the engineering company.

Cost Estimate: \$100,000

Impact of Not Approving this Request: Potential liability to the AGFD due to the inability to provide potable water to employees and visitors. Page Springs is listed with ADEQ as a Public Water System due to the access to the water by the public in the visitor center bathrooms. Also as mentioned this water is used at four of the residences and in the office for drinking water. AGFD is committed to providing a quality work environment for its employees and to the active management of habitat to conserve and protect Arizona's wildlife. Deferral of this work will result in increased future costs to bring the facility to standard.



Project: Ben Avery Shooting Facility Smallbore ADA Bathroom Renovation

Funding Source: Building Renewal

Category: Repair and Maintenance

Need: This building, constructed in 1970, has not received a major renovation or remodel in its lifetime. It is used as a convenient training building and stat house for training and matches on the Ben Avery Shooting Facility. The building is in a dilapidated state, requiring repairs to roof, bathroom, and walls. The restroom and classroom is not ADA accessible, requiring a ramp, adjustments to sink and mirrors, expansion of the stalls, and movement of light switches. Electrical outlets in need of repair.

Solution: A contractor is required to make modifications to the building in order to modernize the facility.

Cost Estimate: \$125,000

Impact of Not Approving this Request: AGFD is committed to providing a quality work environment for its employees and to the active management of habitat to conserve and protect Arizona's wildlife. Deferral of this work will result in increased future costs to bring the facility to standard. If this building is not repaired and brought up to modern standards, a very commonly used building by the public will continue to not only be in a dilapidated state requiring extensive repairs and modernization, it will also not be accessible to ADA members of the community.



Project: Ben Avery Shooting Facility ADA Bathroom\Shower Renovation

Funding Source: Building Renewal

Category: Repair and Maintenance

Need: This building provides ADA restroom access in the campground which accommodates over one hundred campers at any one time. As the only designated ADA restroom, it is in a severely dilapidated state and arguably in need of demolition and to be rebuilt. The ceiling shows sign of water damage, the interior walls are in a state of disrepair, it appears to have been infested by rodents, and numerous ADA violations were observed including grab bars being improper height, stalls being too narrow, light switches too high, approach to the lavatory is obstructed, no insulation around sinks, no water heater and improper signage. Drywall and baseboard damage is also apparent.

Solution: A contractor is required to make modifications to the building in order to modernize the facility.

Cost Estimate: \$175,000

Impact of Not Approving this Request: AGFD is committed to providing a quality work environment for its employees and to the active management of habitat to conserve and protect Arizona's wildlife. Deferral of this work will result in increased future costs to bring the facility to standard. If this building is not repaired and brought up to modern standards, a very commonly used building by the public will continue to not only be in a dilapidated state requiring extensive repairs and modernization, it will also not be accessible to ADA members of the community.

Arizona Game and Fish Department
Building Renewal and Capital Projects Expenditure Plan
Fiscal Year 2023-2024



Project: State Headquarters – Major Maintenance Fund

Funding Source: Building Renewal

Need: As part of the lease purchase agreement for the AGFD Headquarters facility, AGFD committed to depositing a portion of its annual building renewal allocation into a sinking fund established through an indenture agreement with Wells Fargo Corporate Trust. This fund will cover future capital expenses associated with major cyclic maintenance items.

Project Description: Scheduled major maintenance items include:

- Administration Building Roof Maintenance – Foam Roof Sealant every 7 years; new roof in year 25
- Interior Floors, Walls – Replace carpet flooring every 7 years; paint interior walls every 5 years; other flooring every 10 – 15 years
- Building Systems - Assumes ongoing upgrades to lighting, HVAC (energy management), telecommunication and information systems; security/access control system; fire detection and alarm system
- HVAC – Anticipated replacement of chiller in year 25; air handler unit replacements in years 20 -25; independent heat pump systems every 12 years
- Asphalt Maintenance – Crack seal every 3 years; seal coat parking lots every 5 years; slurry seal main entry road every 5 years; mill and overlay parking lot and main entry road in year 20

Cost Estimate: \$28,832

Impact of Not Approving this Request: AGFD is committed to providing a quality work environment for its employees and to the active management of habitat to conserve and protect Arizona's wildlife. Deferral of this work will result in increased future costs to bring the facility to standard.



Project: AGFD Building Renewal Emergency Allocation

Funding Source: Building Renewal

Need: However, given this maintenance burden it is difficult if not impossible to anticipate the timing and nature of all building component failures. In the event of unexpected critical breakdowns or imminent failures, AGFD requires the fiscal agility to remedy events in an expeditious manner.

Solution: Expenditure Categories include

1. Emergency Maintenance and Repairs: Unscheduled and unanticipated building system or equipment repairs requiring immediate response in order to maintain functionality of essential facilities and infrastructure.
2. Corrective Maintenance: These maintenance activities are typically related to health, safety or accessibility concerns as determined by the AGFD's Loss Prevention Coordinator or Engineering staff, and require a timely response

The distribution of the Emergency Allocation of \$75,000 shall be addressed as follows:

- AGFD shall notify the Chairman and JLBC staff that they plan to spend less than \$25,000 on an emergency maintenance and repair or corrective maintenance project. AGFD can proceed without Committee review
- The Chairman can allow AGFD to expend more than \$25,000 on an emergency maintenance and repair or corrective maintenance project without Committee review
- The Chairman will notify AGFD if he does not agree that the project is an emergency or urgent corrective action and that the project will require full Committee review

Cost Estimate: \$75,000

Impact of Not Approving this Request: AGFD is committed to providing a quality work environment for its employees and to the active management of habitat to conserve and protect Arizona's wildlife. Deferral of this work will result in increased future costs to bring the facility to standard.



Project: AGFD Preventive Maintenance

Funding Source: Building Renewal

Need: Pursuant to A.R.S. 41-793.01, AGFD may spend up to 8% of its total building renewal appropriation on preventive maintenance which can include preventive maintenance contracts for HVAC, backup power generators, pavement maintenance (small repairs), wastewater pump stations, septic systems, etc.

Project Description: Implement Statewide preventive maintenance work on Arizona Game and Fish Commissioned owned facilities.

Cost Estimate: \$116,768

Impact of Not Approving this Request: AGFD is committed to providing a quality work environment for its employees and to the active management of habitat to conserve and protect Arizona's wildlife. Deferral of this work will result in increased future costs to bring the facility to standard.



Capital Project Descriptions:

Project: Dam Maintenance

Funding Source: AGFD Capital Improvement Fund

Category: Preservation of Assets/Heath/Life Safety

Need: AGFD owns and operates 38 dams statewide and is responsible for more jurisdictional dams than any other single entity in the state. These dams were constructed to create freshwater biomes and aquatic habitat that provide an array of recreational opportunities including fishing, boating, camping and wildlife viewing. Seven dams have a hazard potential rating of “high”, meaning that a dam failure could result in loss of life and significant impact to property. The Arizona Department of Water Resources (ADWR) requires both high hazard and significant hazard dams to have current Emergency Action Plans, which outline procedures for severe events. The AGFD has implemented Automated Local Evaluation in Real Time (ALERT) systems on all its high and significant hazard dams. This remote sensing equipment transmits real time data that help trigger an emergency response. ADWR inspections are performed every year on AGFD high hazard dams, every three years on significant hazard dams and every five years on low hazard dams. These inspections routinely identify maintenance requirements that can include vegetation removal, erosion control, exercising control structures/valves, concrete restoration, debris clearing from spillways, removing animal burrows, seepage monitoring and ALERT system maintenance. These annual maintenance needs exceed AGFD’s base federal budget for dam maintenance.

Solution: The AGFD proposes to use the \$150,000 from the Capital Improvement Fund property maintenance appropriation to supplement operation and maintenance costs at its 38 dams across the State.

Cost Estimate - \$150,000 to be allocated across the AGFD’s 38 dams. NOTE: Expenditures of this funding will be leveraged by the AGFD to receive and utilize additional federal monies.

Impact of Not Approving this Request: Not approving this capital expenditure will compromise the AGFD’s ability to comply with dam safety regulations. These activities are critical in ensuring public safety, preventing potential loss of life and property, and preserving the ongoing availability of numerous fishery and recreational resources for the citizens of Arizona.



Project: Show Low Lake ADA Sidewalk

Funding Source: Dingell-Johnson Boating Access Grant

Category: New Construction

Need: There is not an ADA compliant access route from the upper parking lot to the boat launch. There was a set of stairs that connected the two. These stairs became unsafe and were removed and replaced. Along with these improvements, an ADA compliant access route from the upper parking lot to the boat launch is required.

Solution: Construct ADA compliant parking stalls in the upper parking lot. Construct a compliant sidewalk from the new parking stalls to the boat ramp.

Cost Estimate - \$282,000

Impact of Not Approving this Request: Not approving this capital expenditure will compromise the AGFD's ability to comply with employee and public safety by resulting in no ADA compliance access from the upper parking lot to the boat launch. These activities are critical in ensuring public safety, preventing potential loss of life and property, and preserving the ongoing availability of numerous fishery and recreational resources for the citizens of Arizona.



Project : Fishers Landing Boating Access Project

Funding Source: Dingell-Johnson Boating Access Grant

Category: New Construction

Need: The boat ramp at Fishers Landing consists of two three lane ramps. These ramps were constructed in the 1980's and were made for smaller vessels. The water level on the ramp is dictated by water releases from the dam upstream. These water levels fluctuate daily based on the need of water users downstream. During low water, these ramps are not accessible to longer vessels. Trailers launching larger vessels currently have to drive off of the end of the ramp to launch at low water. Many of these trailers then get stuck on the dropoff necessitating a tow truck to assist in being able to drive back up the ramp. A longer ramp is needed to allow launching of vessels at all water levels. Additionally, the longer ramp will protect the river bottom from developing propwash holes near the ramp due to scour caused by power loading.

Solution: Extend the boat ramp an additional 25 ft. This will provide sufficient room for trailers as well as reduce scour.

Cost Estimate: \$470,000

Impact of Not Approving this Request: The boat ramp will be closed during low water levels. Trailers will continue to go off of the drop off and get stuck. The propwash hole will continue to enlarge.



Project: Parker Canyon Boating Access Project

Funding Source: State Lake Improvement Fund

Category: New Construction

Need: Use of the boating facility at Parker Canyon Lake has increased significantly in recent years. The current facility is too small and is congested on heavy use days. The existing facility does not have ADA access from the trailer parking area to the boat launch. There is a need for a turn around area and a make ready area near the ramp. There is not any additional room near the existing ramp. A boat launch with ADA compliance, make ready and turn around areas are needed to allow for greater access and reduced congestion.

Solution: Construct a new boat launch north of the concessionaire with ADA trailer parking stalls, make ready area for two vehicles and turn around area to minimize the congestion.

Cost Estimate: \$978,000

Impact of Not Approving this Request: Not approving this capital expenditure will compromise the AGFD's ability to comply with employee and public safety by resulting in no ADA compliance access from the upper parking lot to the boat launch. These activities are critical in ensuring public safety, preventing potential loss of life and property, and preserving the ongoing availability of numerous fishery and recreational resources for the citizens of Arizona.



Project: Wildlife Center Quarantine Building

Funding Source: Game and Fish, Donation funds

Category: New Construction

Need: The building will provide a location to house a variety of mammals that AGFD receives. Wildlife cases come into AGFD day and night and it is imperative that we have a safe location to temporarily house them while assessing their health and potential placement.

Solution: Construct a simple structure at the AGFD's Wildlife Center that can provide temporary shelter for a variety of Wildlife species.

Cost Estimate: \$150,000

Impact of Not Approving this Request: AGFD relies on partner organizations to assist with this and in many cases their facilities are full or unable to take in the species that we have. Some of our intakes are part of an active law enforcement case and are evidence. Not having a location to house wildlife safely could negatively impact our ability to conduct on the ground wildlife conservation.



Project Costing:

Fiscal Year 2023-2024 Building Renewal and Capital Projects Expenditure Plan		
Project		Cost Estimate
Building Renewal Projects	Total:	\$1,459,600.00
Flagstaff Pavement Maintenance		\$ 100,000.00
Robbins Butte House and Shop Building Repairs		\$ 65,000.00
Region 1 Security Camera Upgrade		\$ 55,000.00
Region 1 Office Roof /Drainage Modification		\$ 50,000.00
Region 2 Office Security Gates Replacement		\$ 18,000.00
Jacob Lake Bathroom Remodel		\$ 25,000.00
Raymond Wildlife Area Headquarters Solar System Upgrades		\$ 40,000.00
Cluff Ranch Building Repairs		\$ 150,000.00
Whitewater Draw Building Repairs		\$ 25,000.00
Region 6 Pavement Maintenance and Drainage		\$ 100,000.00
Horseshoe Ranch Roofing		\$ 113,000.00
BPH Residence Septic system design and construction		\$ 50,000.00
CCH Replace/Repair Facility Doors and Locks		\$ 38,000.00
PSH Generator and Domestic Water Supply		\$ 100,000.00
Smallbore ADA Bathroom Renovation		\$ 125,000.00
BASF ADA Bathroom\Shower Renovation		\$ 175,000.00
State Headquarters – Major Maintenance Fund		\$28,832.00
Building Renewal Emergency Allocation		\$75,000.00
Arizona Game and Fish Department Preventive Maintenance		\$116,768.00
Capital Projects	Total:	\$ 2,298,000.00
Parker Canyon Boat Ramp		\$ 978,000.00
Fishers Landing Boat Ramp		\$ 470,000.00
Wildlife Center Quarantine Building		\$ 150,000.00
Show Low Lake Sidewalk		\$ 250,000.00
Property Maintenance		\$300,000.00
Dam Maintenance		\$150,000.00

Arizona Game and Fish Department
Building Renewal and Capital Projects Expenditure Plan
Fiscal Year 2023-2024



STATE OF ARIZONA

Joint Committee on Capital Review

STATE
SENATE

DAVID M. GOWAN
VICE-CHAIRMAN
LELA ALSTON
SEAN BOWIE
RICK GRAY
SINE KERR
VINCE LEACH
REBECCA RIOS

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HOUSE OF
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JUDY SCHWIEBERT
LORENZO SIERRA
BEN TOMA

DATE: July 11, 2022

TO: Members of the Joint Committee on Capital Review

FROM: Nate Belcher, Fiscal Analyst

SUBJECT: Arizona State Parks Board – Review of Capital Projects

Request

A.R.S. § 41-1252 requires Committee review of expenditure plans for monies appropriated for building renewal and capital projects. The Arizona State Parks Board (ASPB) requests the Committee review of the following amounts: FY 2023 funding of \$23,260,400 for 11 capital projects and statewide building renewal; FY 2024 funding of \$19,143,800 for 7 capital projects; and FY 2025 funding of \$19,117,300 for 6 capital projects. These amounts are funded from the State Parks Revenue Fund.

The funding amounts for these specific projects was appropriated in the FY 2023 Capital Outlay Bill. That legislation authorized ASPB to shift monies between projects as follows: 1) Up to 10% of each project cost may be reallocated without Committee review; and 2) More than 10% of each project cost may be reallocated after receiving Committee review.

Committee Options

The Committee has at least the following 2 options:

1. A favorable review of the request.
2. An unfavorable review of the request.

Under either option, the Committee may also consider the following provisions:

- A. Pursuant to Laws 2022, Chapter 309, Sections 6, 19 and 20, prior to ASPB using more than 10% of a specific project's budget for another project listed in the same section, ASPB shall submit the proposed expenditure plan and funding reallocation to the Committee for review.

(Continued)

- B. ASPB may not use any monies appropriated for a specific project in Laws 2022, Chapter 309, Sections 6, 19 and 20 for a new project not listed in those sections without the Legislature amending Chapter 309.

Key Points

The Arizona State Parks Board (ASPB) is seeking review of:

- 1) FY 2023 funding of \$23,260,400 for 11 capital projects and statewide building renewal
- 2) FY 2024 funding of \$19,143,800 for 7 capital projects
- 3) FY 2025 funding of \$19,117,300 for 6 capital projects

Analysis

ASPB is requesting review of the following projects (*see Table 1 for a complete summary of the ASPB request*):

	<u>FY 23</u>	<u>FY 24</u>	<u>FY 25</u>
Capital Improvements/Building Renewal	2,742,800		
Deadhorse Amphitheater - Cost Increase	210,000		
Rockin' River State Park - Cost Increase	336,800		
Jerome State Park Fire Suppression System	1,540,000		
Southern Construction Services Relocation	2,000,000		
Tonto Bridge State Park Historic Building Renovation	3,500,000		
Tombstone State Park Historic Building Renovation	2,008,500		
Rockin' River State Park Main House Renovation	1,750,000		
Catalina State Park Main Entrance Bridge	1,500,000	5,813,000	
Statewide Campground Improvements	4,100,000	4,100,000	4,100,000
Statewide Sunshade Structures	2,233,300	2,233,300	2,233,300
Statewide Water Conservation	1,339,000	1,339,000	1,339,000
Yuma Territorial Prison Park Historic Building Renovation		750,000	5,945,000
Riordan Mansion Park Historic Building Renovation		2,900,000	
Oracle State Park Historic Building Renovation		2,008,500	
Red Rock State Park Historic Building Renovation			4,000,000
San Rafael State Park Historic Building Renovation			1,500,000
Total	\$23,260,400	\$19,143,800	\$19,117,300

Capital Improvements/Building Renewal

ASPB was appropriated \$2,742,800 for capital improvements/building renewal, which would be allocated to the following categories: Fire and Life Safety – \$75,000, Building Shell – \$600,000, Major Building Services – \$600,000, Building Interior – \$300,000, Infrastructure – \$300,000, ADA Compliance – \$50,000, Preventative Maintenance – \$550,000, Other Projects – \$267,800.

(Continued)

Deadhorse State Park Amphitheater – Cost Increase

ASPB was appropriated \$150,000 in FY 2022 to construct an amphitheater in Deadhorse State Park. With the FY 2022 appropriation, ASPB secured an additional \$150,000 in federal grant funding through the Land Water Conservation Fund (LWCF) for a total project budget of \$300,000. Due to the remote location and general price increases, ASPB has gone through 3 different procurement processes and has not received a bid within the project budget. The FY 2023 allocation of \$210,000 is intended to address the project's funding shortfall.

Rockin' River State Park – Cost Increase

ASPB was appropriated \$750,000 in FY 2022 to construct a primitive day-use park at Rockin' River State Park. With the FY 2022 appropriation, ASPB intended to secure an additional \$750,000 in LWCF for a total project budget of \$1.5 million. Due to concerns from the U.S. Forest Service and the U.S. National Park Service, ASPB did not secure the LWCF project funds. In order to backfill this remaining \$750,000 portion of the project budget, ASPB would utilize \$413,200 from the Federal Recreational Trails Program and the FY 2023 appropriation of \$336,800 for which ASPB is seeking Committee review.

Jerome State Park – Fire Suppression System

The fire suppression systems at the Douglas Mansion and Carriage House at Jerome State Park are no longer functional and would be completely replaced. Each replacement would involve a larger water supply tank, new pumps and backup pumps, along with a backup power source required under building codes.

Southern Construction Services Relocation

ASPB's Construction Service's staff and equipment for Southern Arizona are mostly based at Roper Lake State Park in a structure with overhead protection. Based on the distance to other parks, ASPB has concerns this location is not cost-effective. ASPB intends to relocate these construction staff/equipment to the more centrally-located Catalina State Park and construct a pre-fabricated metal building that would support both the Park's and the Construction Service's personnel and equipment. The building would have a fenced/secured yard and parking for outdoor equipment. ASPB calculates the relocation is projected to save 1,040 hours of commute time and 36,400 commuting miles annually, which would result in savings of more than \$60,000 per year.

Tonto Natural Bridge State Park – Historic Building Renovation

ASPB was appropriated \$3.5 million to remodel the interior of the Tonto Natural Bridge State Park's lodge and office, which were both built around 1950. The project would include upgrades to electrical, plumbing and ventilation systems and address ADA accessibility requirements. The renovations would also allow the park to utilize the Lodge for larger events.

Tombstone Courthouse State Historic Park – Historic Building Renovation

The Tombstone Courthouse (built in 1882), would be renovated to make upgrades to electrical, plumbing, ventilation, and roof systems and address ADA accessibility requirements.

Rockin' River State Park – Main House Renovation

The Rockin' River Main House (built in 1975), would be renovated to make upgrades to electrical, plumbing, ventilation, and roof systems, as well as interior finishes and accessibility upgrades to meet ADA requirements.

(Continued)

Catalina State Park – Main Entrance Bridge

The proposed project would construct a new bridge to connect the park to the main road across an existing wash. The new bridge would allow the park to stay open during periods of extensive rain/run-off. ASPB intends to transfer the appropriated funds to ADOT, who would manage the project. Given the location near a wash, the project may require coordination and permitting from the Army Corp of Engineers.

Statewide Campground Improvements

This project would focus on electrical upgrades to campsites at multiple parks within the Arizona State Parks campground system. This would provide more reliable electrical connections for visitors and meet newer recreational vehicle requirements. In addition to electrical upgrades, ASPB would install or upgrade water and wastewater connections, as needed. ASPB would also address other items as the project budget permits, including but not limited to: fire pits, picnic tables, shade structures, and tent/RV pads.

Statewide Sunshade Structures

This item would add shade structures to multiple parks along high traffic areas with sun exposure, such as hiking trails. Prioritization would be given to Parks with higher visitor use and that have less current shade coverage.

Statewide Water Conservation Efforts

This would be a statewide project to install water-conserving plumbing fixtures as part of replacing fixtures that are past their useful life. ASPB would also explore reducing landscape/outdoor water usage. Prioritization would be given to Parks with higher water usage or in need of plumbing repairs.

Yuma Territorial Prison State Park – Historic Building Renovation

Given the age and material of the Yuma Prison (built of adobe in 1876), the historic structure is in need of extensive repair. The FY 2024 project funding would pay for a building evaluation and developing recommendations in coordination with the State Historic Preservation Office. The FY 2025 project funding would cover the direct repair costs.

Riordan Mansion State Park – Historic Building Renovation

Renovations would cover the Visitor Center, Museum, and the Gate House, all built before 1915. Renovations would include remodeling of the interior of these structures to upgrade interior finishes, ventilation, accessibility, structural supports and roof systems.

Oracle State Park – Historic Building Renovation

ASPB plans to renovate the park's original Ranch House (built in 1905) to upgrade electrical, plumbing and ventilation systems. Due to the historic status of the building, ASPB would coordinate with the State Historic Preservation Office and use a contractor that has experience in historic building renovations. ASPB would include similar renovations at other park buildings if the project budget permits.

Red Rock State Park – Historic Building Renovation

Red Rock State Park includes a historic building named "House of Apache Fire" which was built in 1950. ASPB plans to renovate the building to remodel the interior and upgrade the electrical, plumbing and ventilation systems. Once the project is completed, Park visitors would have added facility access for historical tours, interpretive information and events.

(Continued)

San Rafael State Park – Historic Building Renovation

ASPB intends to renovate the McClintock Ranch House, which was built in 1900. The project would include upgrades to the electrical and plumbing systems, along with ADA improvements to the historic ranch house.

Funding Reallocations

The FY 2023 Capital Outlay Bill authorizes ASPB to shift monies between specific project appropriations, by allowing the agency to "use up to ten percent of the monies from any project listed" and shifting that to another project receiving funding for that fiscal year. If ASPB has the relevant transfer reviewed by JCCR, then the agency "may use more than ten percent of the monies appropriated for a project" and shifting that to another project receiving funding for that fiscal year.

This authorization is based on a percentage of an individual project budget. For example, in FY 2024, ASPB would be authorized to shift up to \$410,000 from the Statewide Campground Improvements project (10% X \$4,100,000) to a different project listed in the FY 2024 column of *Table 1*. After review by JCCR, ASPB would then be authorized to move a larger amount from the Statewide Campground Improvements to a different project listed in the FY 2024 column of *Table 1*.

NB:lm



Doug Ducey
Governor

ARIZONA STATE PARKS & TRAILS

Bob Broscheid
Executive Director



July 5, 2022

The Honorable Representative Regina Cobb
Chairman, Joint Committee on Capital Review
Arizona State House of Representatives
1700 West Washington Street
Phoenix, Arizona 85007



RE: Arizona State Parks Board FY23 Capital Projects for the Joint Committee on Capital Review

Dear Representative Cobb:

The Arizona State Parks Board (Arizona State Parks & Trails - ASPT) respectfully requests to be placed on the agenda of the next Joint Committee on Capital Review (JCCR) meeting being held July 2022 for review of funding to complete the projects outlined in the tables on the following pages.

ASPT is requesting Committee review on these capital projects pursuant to A.R.S § 41-1252(A)(4) & (C). Upon such review, ASPT will proceed with construction activities for these projects.

Thank you for your consideration of this request. If you have any questions or need additional information, please contact Tom Kmetz, Chief of Development, at 602-542-6920.

Sincerely,

Bob Broscheid
Executive Director
Arizona State Parks Board

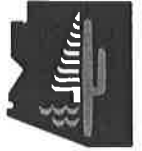
cc: The Honorable Senator David M. Gowan, Chairman, JLBC
Matthew Gress, Director, Office of Strategic Planning and Budgeting
Richard Stavneak, JLBC Director
Nate Belcher, JLBC Analyst
Zachary Harris, OSPB Budget Manager
Mark Weise, Assistant Director Operations & Development
Kevin Brock, Assistant Director Chief Financial Officer



Doug Ducey
Governor

ARIZONA STATE PARKS & TRAILS

Bob Broscheid
Executive Director



Arizona State Parks & Trails
Capital Improvement Projects Appropriations
Brief project descriptions follow below

CIP Project	FY23	FY24	FY25
Capital Improvements	\$ 2,742,800		
Deadhorse Amphitheater Adjustment	\$ 210,000		
Rockin River State Park Adjustment	\$ 336,800		
Jerome Fire Suppression System	\$ 1,540,000		
Southern Const SVCS Relocation	\$ 2,000,000		
Tonto Historic Building Renovation	\$ 3,500,000		
Tombstone Historic Building Renovation	\$ 2,008,500		
Rockin River Main House Renovation	\$ 1,750,000		
Catalina Main Entrance Bridge	\$ 1,500,000	\$ 5,813,000	
Statewide Campground Improvements	\$ 4,100,000	\$ 4,100,000	\$ 4,100,000
Statewide Sunshade Structures	\$ 2,233,333	\$ 2,233,333	\$ 2,233,333
Statewide Water Conservation	\$ 1,339,000	\$ 1,339,000	\$ 1,339,000
Yuma Territorial Prison Historic Building Renovation		\$ 750,000	\$ 5,945,000
Riordan Mansion Historic Building Renovation		\$ 2,900,000	
Oracle Historic Building Renovation		\$ 2,008,500	
Red Rock Historic Building Renovation			\$ 4,000,000
San Rafael Historic Building Renovation			\$ 1,500,000

Capital Improvements

See full expenditure plan below.

Deadhorse Amphitheater Adjustment

Laws 2021, First Regular Session, Chapter 406 (SB 1820) appropriated \$150,000 in FY 2022 to Deadhorse State Park to construct an amphitheater.

This project represented a legacy project from the previous ASPT's administration. The building materials were procured, but the agency was unable to construct the new amphitheater before the appropriation lapsed due to the COVID-19 pandemic.

The project received favorable review from JCCR on July 15, 2021. As envisioned with the FY 2022 appropriation, ASPT secured an additional \$150,000 through federal grant funding by the Land Water Conservation Fund (LWCF) for a total project budget of \$300,000.

ASPT has worked with Three (3) State Job Order Contractors (JOC) and have been unsuccessful to receive quotes within the project budget using the State's ADOA Gordian unit pricing and finding a subcontractor



Doug Ducey
Governor

ARIZONA

STATE PARKS & TRAILS

Bob Broscheid
Executive Director



that will work in the remote location. Unfortunately, the scope of work for this project cannot be reduced due to the construction materials that were previously under the prior appropriation as noted above. The FY 2023 appropriation of \$210,000 provides additional funding that is anticipated to address the funding shortfall to complete the project.

Rockin River State Park Adjustment

Laws 2021, First Regular Session, Chapter 406 (SB 1820) appropriated \$750,000 in FY 2022 to Rockin River State Park to construct a primitive day-use park.

The project received favorable review from JCCR on July 15, 2021. It was envisioned with the FY 2022 appropriation that ASPT would be able to secure an additional \$750,000 in LWCF for a total project budget of \$1.5 million. Unfortunately, ASPT was unable to secure LWCF monies due to conflicting federal oversight from the U.S. Forest Service and the U.S. National Park Service that prevented the project to proceed using LWCF funds.

In an effort to be proactive and maximize all potential funding available to the State, ASPT will utilize \$413,200 from a different federal fund source, the Federal Recreational Trails Program. However, this amount is insufficient to bring the available funding back to the \$1.5 million needed.

The FY 2023 appropriation of \$336,800 addresses the funding shortfall to fund the project at \$1.5 million.

Jerome Fire Suppression System

The 40-year-old fire suppression system in the Douglas Mansion and Carriage House at Jerome State Park is no longer functional. The fire suppression is a dry system which can no longer carry air pressure due to all the leaks in the system. The Design team determined that the water supply tank is way undersized according to code, and needs to be replaced with a larger tank. The new tank also needs new pumps, backup pumps and backup power to meet code. The fire suppression in both historic buildings need to be fully replaced. Plans and specifications have been completed. Replacing the tank and associated equipment, and the fire suppression system in both buildings, will bring the entire system up to code and fully protect these historic buildings in the event of a fire.

Southern Const SVCS Relocation

The Southern Region's Construction Services (SRCS) is currently based at Roper Lake State Park. Most, if not all, equipment for this Region is located there since it has an area with overhead (sun/weather) protection. However, this location is not cost effective or efficient since it is the park that is the furthest away from all the others for the Southern Region. The travel expenses and drive time for the crew members is very costly and time consuming.

Due to these reasons, ASPT intends to relocate the SRCS Base to Catalina State Park which is more centrally located to the other parks in the region. The project entails constructing a pre-fabricated metal building that would support both the Park's and the Construction Services personnel and equipment. The building would also have a fenced/secured yard and parking for outdoor equipment that does not require overhead sun/weather protection. The relocation is projected to save 1,040 hours of commute time and 36,400 commuting miles annually, which will result in a cost savings of more than \$60,000 per year.



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Tonto Historic Building Renovation

Renovation will be for both the lodge and the office both which were built around 1950 and is located at Tonto Natural Bridge Park. The project will remodel the interior of both structures to include upgrades to electrical, plumbing and ventilation system that are outdated, in efficient and a safety hazard. The renovation and improvements will conserve resources, and lower risk of fire. ADA upgrades to meet current accessibility requirements will be addressed during the renovation. These renovations will also reduce ongoing and future operation/maintenance costs. Once the project is completed, Park visitors will have a more enjoyable and safe experience for the public and staff. Renovation would also allow the park to utilize the Lodge for events that are not currently available due to the deficiencies.

Tombstone Historic Building Renovation

Built around 1882, the Tombstone Courthouse project will include upgrades to electrical, plumbing, ventilation, and roof systems that are outdated, inefficient and a safety hazard. The renovation and improvements will conserve resources and lower risk of fire. ADA upgrades to meet current accessibility requirements will be addressed during the renovation. These renovations will also reduce ongoing and future operation/maintenance costs. Once the project is completed Park visitors will have a more enjoyable and safe experience for the public and staff. Renovation will aid in preservation of historic building for future generations.

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"Managing and conserving Arizona's natural, cultural and recreational resources for the benefit of the people,
both in our parks and through our partners."



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Rockin River Main House Renovation

Built around 1975, the Rockin River Main House project will include upgrades to electrical, plumbing, ventilation, and roof systems, as well as needed interior finishes. The renovation and improvements will conserve resources, operating cost and would reduce ongoing repair/upgrade costs. ADA upgrades to meet current accessibility requirements will be addressed during the renovation. This project in conjunction with the larger project provided by Laws 2021, First Regular Session, Chapter 406 (SB 1820) will provide support for the day use park and facility for special events.

Catalina Main Entrance Bridge

The new bridge will span an existing wash that separates the park from the main road. This will provide enhanced safety for visitors who may try to cross the wash in hazardous conditions. In addition, the new bridge will allow the park to stay open during periods of extensive rain/run-off. Currently the park has to shut down occasionally leaving customers stranded in the campground. This project will involve design, permitting, and construction of a new bridge to cross the wash, depending on design this may require coordination and permitting from the Army Corp of Engineering's. This bridge will provide access to the park's camping and hiking opportunities year-round (regardless of weather conditions). ADOT will manage this project; funds will be transferred to them.

Statewide Campground Improvements

This project will focus on electrical upgrades to campsites at multiple parks within in the Arizona State Parks campground system. The age of the campground electrical system is dependent on the park. These upgrades will reduce the maintenance of the parks system, provide more reliable electrical connections for the park visitors and campers, and provide upgraded service to meet the visitor newer recreation vehicle requirements. For example, 20A/30A/50A electrical hook-ups pedestal to better serve current and future RV's. In addition to electrical upgrades, the project will entail installing or upgrading water and wastewater connections at each site, if needed. After completing electrical and water connections, ASPT will focus on addressing the following, but not limited to fire pits, picnic tables, shade structures, and tent/RV pad.

Statewide Sunshade Structures

This project will add sun shade structures to multiple parks within in the Arizona State Parks system. Many Parks endure the extreme heat of the Arizona sun and also the intense sun rays that often dehydrate and burn Park visitors. The focus of this initiative is to add at key locations within a park such as along hiking trails to provide Park visitors a refuge. These shade structure will enhance the Parks visitor experience and provide some needed relief from the direct sun. Shade structure material and size will be dependent on the location of the park, the natural surroundings, and the anticipated use. Prioritization will be given to Parks with higher visitor use that need the shade while minimizing the effects to the natural surroundings, wildlife and cultural resources.

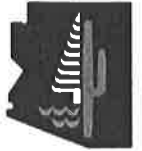


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Statewide Water Conservation

The effort will help reduce water usage for the State and the Parks system. This will be a statewide project to install water conservation plumbing fixtures, and explore and implement grounds water usage to multiple parks within in the Arizona State Parks system. The parks buildings and structures are older and plumbing fixture are past their useful life, in additions to not meeting the current water conservation standards. Ground and landscape usage will also be explored to reduce water usage while maintaining the park visitor experience that each park offers. These efforts are not only ecologically prudent for sustainability, but will also provide reduced Parks cost on maintenance of plumbing system; but will also reduce operational cost on wells, water storage and wastewater system for the park. Park's visitors will be able to have plumbing fixture that are functional while seeing the State and Arizona State Parks & Trails are contributing to the water conservation efforts for the State. Prioritization will be given to Parks with higher water usage or plumbing repairs while minimizing the effects to the natural surroundings, wildlife and cultural resources.

Yuma Territorial Prison Historic Building Renovation

Yuma Prison was built of adobe in 1876 and is a historic structure. Due to the historic status, age, and condition of the adobe, this will require extensive evaluations for recommended repairs, from both a structure and historic aspect. This project will require significant coordination with the State Historic Preservation Office, special architect with historic build knowledge and a contractor that has experience in the historic building materials and methods. Necessary repairs will be performed based on the assessment and evaluation recommendations to preserve the historic building for future visitation and interpretive experience. The FY 2024 appropriation is intended to cover the cost of performing the evaluation and developing recommendations while the FY 2025 appropriation is intended to cover the cost of performing the respective repairs.

Riordan Mansion Historic Building Renovation

Renovation will be the Visitor Center (built around 1914), Museum (built around 1904), and the Gate House (built around 1904). The project will remodel the interior of the structures to include upgrades to interior finishes, ventilation, structural stone pointing, and roof systems that are outdated, inefficient and a safety hazard. ADA upgrades to meet current accessibility requirements will be addressed during the renovation. These renovations will also reduce ongoing and future operation/maintenance costs. Once the project is completed Park visitors will have a more enjoyable and safe experience for the public and staff while preserving the historic buildings for future generations.

Oracle Historic Building Renovation

Renovation will be the Original Ranch House (built around 1905), and possible ancillary building as budget allows. The project will remodel the interior of structures to include upgrades to electrical, plumbing and ventilation system that are outdated, inefficient and a safety hazard. The renovation and improvements will conserve resources and lower risk of fire. ADA upgrades to meet current accessibility requirements will be addressed during the renovation. Due to the historic status, age, and condition of the adobe, this will require extensive evaluations for recommended repairs, from both a structure and historic aspect. This project will require significant coordination with the State Historic Preservation Office, special architect with historic build knowledge and a contractor that has experience in the historic building materials and methods. Necessary repairs will be performed based on the assessment and evaluation recommendations to preserve the historic building for future visitation and interpretive experience. Once the project is completed Park



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visitors will have a more enjoyable and safe experience for the public and staff. It also would reduce ongoing repair/upgrade costs while preserving historic buildings for future generations.

Red Rock Historic Building Renovation

This House of Apache Fire was built around 1950 and is located at Red Rock Park. The project will remodel the interior of the house to include upgrades to electrical, plumbing and ventilation system which will conserve resources, and lower risk of fire, thus reduce ongoing and future operation/maintenance costs. Once the project is completed Park visitors will have added facility access to engage in historical tours, interpretive information and events (i.e., weddings, etc). Additional Park improvement to support the park and enhancement of the visitor will be explored for the best use of the funds.

San Rafael Historic Building Renovation

The McClintock Ranch House was built around 1900 and the renovations are intended to preserve the facility. The project will entail electrical, plumbing and ADA improvements to the historic ranch house. Upgrades will conserve resources and lower risk of fire thus reducing ongoing and future operation/maintenance costs and ensuring the building exist for future generations to experience. ADA upgrades to meet current accessibility requirements will be addressed during renovation improvements.



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Capital Improvement Allocation

CATAGORY CODES	
Fire & Life Safety Projects	\$ 75,000
Building Shell Projects	\$ 600,000
Major Building Services Projects	\$ 600,000
Building Interior Projects	\$ 300,000
Infrastructure Projects	\$ 300,000
ADA Compliance	\$ 50,000
Preventative Maintenance Projects	\$ 550,000
Other Projects - Building Renewal Project Scoping	\$ 267,800
Total:	\$ 2,742,800

Fire and Life Safety Projects

The purpose of these projects is to improve or eliminate an impending condition that threatens life or property within the ASPT Building System or infrastructure statewide. ASPT utilizes the ADOA Quadrennial reports, State Fire Marshall Report, and Risk Management assessments to help priorities improvement; in addition to self-identification of areas of concern. Types of projects can include, but not limited to: Fire alarm systems, fire suppression systems, security alarm systems, air quality systems, water supply for fire suppression and potable quality, wastewater treatment and compliance, security systems such as access control, locks, and camera devices and footage storage systems, and building egress routes.

Building Shell Projects

Building Shell improvements are to address deficiencies in existing roofs, exterior enclosures, walls, windows and/or doors. The deficiencies addressed here represent a small portion of the deteriorating exterior systems where continuing maintenance-based repairs are not cost effective nor prevent leaks. Neglect of exterior roofs, walls, windows and doors escalates deterioration of building structural systems, leads to potential mold growth, and increases the risk of damage to interior contents. Further, the costs of structure damage and mold abatement can often exceed the cost of replacing a roof membrane. This project category is dedicated to proactively replacing failing roof and exterior systems throughout the ASPT Building System to mitigate negative impacts of interruption to mission critical functions and expensive "crisis-mode" abatements, emergency repairs, and replacements.

Major Building Services Projects

The deficiencies in the Major Building Services category reflect worsening conditions of HVAC, electrical, plumbing, and structural components across the ASPT Building System. Many of the systems are original to building construction. These systems have surpassed their useful lives and can no longer meet the



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demands of the facilities they support. Many systems are so weakened that unpredictable and imminent failure conditions threaten mission critical functions of public safety and institutional operations. Replacing aged and inefficient systems with new and more efficient systems will generate energy savings, protect assets, and provide comfortable climate control in Arizona's extreme environment. Failure to address aging and dilapidating systems may result in a shutdown of mission critical State services and expensive emergency basis procurements. Numerous systems throughout the ASPT Building System are original to building construction. These aging systems, in particular, the waste and vent piping, are failing at an increasing rate. Failure to replace deteriorating piping, especially the waste lines, will result in further damage to ceilings, walls, flooring and mechanical and electrical building systems.

Building Interior Projects

Replacement of worn interior flooring, stairway treading, and wall finishes have been in a "deferred indefinitely" status for many years. Many floor coverings, many over 20 years old, have long been in a deferred status and are in such poor condition they require immediate attention to avert or eliminate safety hazards. Conditions inside ASPT buildings include floor coverings completely worn through, ongoing patch maintenance, extensive damage to common hallway walls, missing or damaged ceiling tiles, stains, unraveling seams and tears, delaminating stairway treads, unsuccessful duct tape repairs, and extensive rippling. Paint is not matching and faded, as well as, wall marked and scrapped. ASPT will use these funds to provide a safe and presentable work environment for all ASPT employees and visitors.

Infrastructure Projects

Projects can include existing roadways, parking lots, sidewalks and walkways, electrical service entrances (SES) and mechanical utilities, water supply and distribution, sanitary and storm sewers, waste treatment, electrical distribution, site lighting, fencing, and communications. Many of these type systems have been in a "deferred indefinitely" status for many years and are in an exhausted state of deterioration. Water and Wastewater infrastructure systems throughout the ASPT park's system are original to construction. These aging systems are failing at an increasing rate. Failure to replace deteriorating piping, will result in further damage to State property and may create an environmental impact or reporting condition. Many areas are not properly light to provide safe routes for park customers and staff since many of ASPT parks have overnight park occupancy.

ADA Accessibility Projects

There are numerous ADA deficiencies in the ASPT Park's System that require remedy. Deficiencies include building access ramps, sidewalks, bathroom fixtures, drinking fountains, handrails, parking spaces, sites/amenities, and general reconfigurations of entrances and other areas in buildings to allow facilitate access to services and workplaces for persons with disabilities. In addition, many recreational areas within the ASPT system need to be ADA compliant. ASPT has been allocated \$5 million from the American Recovery Plan Act (ARPA) by Governor's Office to address ADA improvements, ASPT is allocating a small portion for items that may not meet the federal ARPA eligibility requirements.



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Preventative Maintenance Projects

Preventive maintenance which can include preventive maintenance contracts for HVAC, backup power generators, pavement maintenance (small repairs), wastewater pump stations, septic systems, Termite treatment, etc.

Other Projects - Building Renewal Project Scoping

This is for scoping and design services for potential and emergency projects. Some of the requests received for funding consideration have deficient, vague, or very broad scopes of work, no supporting documentation, and insufficient, unreliable, or aged cost estimates. The proposed allocation supports ASPT in the development and implementation of detailed scopes of work that adequately and cost effectively address the requirements of current and future project request.



STATE OF ARIZONA

Joint Committee on Capital Review

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DATE: July 11, 2022

TO: Members of the Joint Committee on Capital Review

FROM: Jordan Johnston, Senior Fiscal Analyst

SUBJECT: Arizona Department of Transportation - Review of ADOT Facilities

Request

A.R.S. § 41-1252 requires Committee review of expenditure plans for monies appropriated for capital projects. The Arizona Department of Transportation (ADOT) was appropriated \$4,600,000 from the State Highway Fund for the construction of a new maintenance facility in Wickenburg by the FY 2020 Capital Outlay Bill. In addition, ADOT was appropriated \$6,900,000 from the State Highway Fund for the construction of new ADOT facilities by the FY 2022 Capital Outlay Bill. ADOT was further appropriated \$19,416,400 from the State Highway Fund for the construction of new ADOT facilities by the FY 2023 Capital Outlay Bill.

The total \$30,916,400 of appropriations is allocated for the following projects:

- \$9,309,300 for the 206 Annex Building renovation,
- \$2,124,000 for the Tucson Signal Equipment Repair Shop relocation,
- \$3,026,900 for Vehicle Fueling Facilities replacement (Tucson, St. David, Willcox and Three Points),
- \$1,200,000 for the De-Icer Material Storage Barn in Superior,
- \$10,735,000 for the New Maintenance Facility in Wickenburg,
- \$2,171,200 for the Vehicle Fueling Facilities replacement (Flagstaff, Holbrook and Kingman), and
- \$2,350,000 for New Liquid Brine Tanks (Globe, Show Low, Prescott Valley, and Keams Canyon).

Committee Options

The Committee has at least the following 2 options:

1. A favorable review of the request.
2. An unfavorable review of the request.

(Continued)

Key Points

The Arizona Department of Transportation (ADOT) is seeking review of:

- 1) \$9.3 million for the renovation of the department's 206 Annex building in Phoenix.
- 2) \$2.1 million for the relocation of the signal equipment repair shop in Tucson.
- 3) \$3.0 million for the replacement of vehicle fueling facilities located in Tucson, St. David, Willcox and Three Points.
- 4) \$1.2 million for the replacement of the de-icer material storage barn in Superior.
- 5) \$10.7 million for the construction of a new maintenance facility in Wickenburg.
- 6) \$2.2 million for the replacement of vehicle fueling facilities located in Flagstaff, Holbrook and Kingman.
- 7) \$2.4 million for the construction of new liquid brine tanks located in Globe, Show Low, Prescott Valley, and Keams Canyon.

Analysis

The department has requested review of the following projects pursuant to statutory provisions requiring JCCR review of any capital project with an estimated cost over \$250,000:

206 Annex Building Renovation in Phoenix

Located at 206 South 17th Avenue, the ADOT Annex building is a 3 story, 38,000 square foot, concrete structure originally constructed in 1966 as an addition to the ADOT Administration building. The facility houses a wide range of employees within the department, primarily in administrative positions. In 2019, ADOT discovered during asbestos abatement that the floor slabs contained extensive spider- web cracking and slab sagging on the 2nd and 3rd floors. The department determined that a repair was necessary to maintain the structural integrity of the building.

ADOT is proposing to spend the \$9.3 million of funding to renovate the facility. The renovation will consist of all new interior finishes, HVAC, and utilities with ADOT standard offices and modular workstation layouts at the 2nd and 3rd floors. ADOT will also construct space on the 1st floor to accommodate the ADOT Executive Hearing Office (EHO) with security and separation from other ADOT functions (e.g. specific public entrances, support spaces, and hearing rooms) relative to the needs of the EHO. *Table 1* below breaks down the cost of the 206 Annex building renovation by category.

Table 1	
206 Annex Building Expenditure Plan	
<u>Item</u>	<u>Cost Estimate</u>
Construction	\$ 5,714,900
Furniture, Fixtures, and Equipment	1,863,200
Information Technology	800,300
Contingency	<u>930,900</u>
Total Appropriated Budget	\$9,309,300

In addition to the \$9.3 million appropriation, ADOT plans to expend \$9.1 million from their FY 2022 and FY 2023 building renewal appropriations for the project to cover the cost of design, removal of interior, structural repairs, window and HVAC replacement, and new infrastructure (power, water, sewer, etc.).

(Continued)

Signal Equipment Repair Shop in Tucson

The signal equipment repair shop is currently located on the ADOT Tucson Grant Road Maintenance Yard. ADOT reports that the 2-story building is insufficient for operational needs, is not in ADA compliance, and is subject to periodic flooding and damage due to its location.

ADOT is proposing to spend the \$2.1 million of funding to relocate the repair shop to an existing warehouse located at the I-19 and I-10 interchange right of way. The new 4,000 square foot facility will resolve the issues previously described while combining the light and signal operation with the signage and striping operation. *Table 2* below breaks down the cost of the Tucson signal equipment repair shop relocation by category.

Table 2	
Tucson Signal Equipment Repair Shop Expenditure Plan	
<u>Item</u>	<u>Cost Estimate</u>
Construction	\$ 1,600,000
Demolition Work	50,000
Design and Construction Administration	125,000
Furniture, Fixtures, and Equipment	80,000
Information Technology	96,500
Contingency	172,500
Total Appropriated Budget	\$2,124,000

Vehicle Fueling Facilities Replacement (Tucson, St. David, Willcox and Three Points)

ADOT manages 57 vehicle fueling facilities located throughout the state. The department reports that the average lifecycle for a typical fueling system is 30 years. Currently, ADOT has 16 of 57 fuel facilities that have fueling equipment that is more than 30 years old with single wall tanks.

ADOT is proposing to spend the \$3.0 million of funding to replace the vehicle fueling facilities located at in Tucson, St. David, Willcox, and Three Points. *Table 3* below breaks down the cost of replacing the vehicle fueling facilities by category.

Table 3	
Vehicle Fueling Facilities Replacement Expenditure Plan	
<u>Item</u>	<u>Cost Estimate</u>
Construction and Fuel Equipment	\$ 2,100,000
Demolition Work	360,000
Design and Construction Administration	316,200
Information Technology	10,000
Contingency	240,700
Total Appropriated Budget	\$3,026,900

De-Icer Material Storage Barn Replacement in Superior

Built in 1973, the de-icer material storage barn located in Superior provides for the storage of sand, cinders and premixed chemical materials which are used during winter months for highway de-icing operations. ADOT reports that the wooden structure is deteriorating and no longer accommodates newer equipment.

(Continued)

ADOT is proposing to spend the \$1.2 million of funding to replace the material storage barn in Superior with a new 30 foot by 60 foot building that will incorporate environmental enhancements requested by ADOA Risk Management to minimize the potential for environmental incidents. The building will be steel frame construction with a 10-foot-high concrete base wall. *Table 4* below breaks down the cost of replacing the Superior de-icer material storage barn by category.

Table 4	
Superior De-Icer Material Storage Barn Replacement Expenditure Plan	
<u>Item</u>	<u>Cost Estimate</u>
Construction	\$ 850,000
Demolition Work	50,000
Design and Construction Administration	150,000
Contingency	<u>150,000</u>
Total Appropriated Budget	\$1,200,000

Maintenance Facility in Wickenburg

ADOT utilizes approximately 45 maintenance buildings throughout the state. The current maintenance facility in Wickenburg contains small, wooden structures built in the 1940's. The department reports the current maintenance office is a converted residence and is built with asbestos containing materials. The maintenance facility has experienced flooding numerous times. ADOT has further stated that the current facilities lack appropriate space, restroom, and showers.

In addition to a \$2.9 million FY 2023 appropriation, ADOT was previously appropriated \$4.6 million in FY 2020 and \$3.2 million in FY 2022 for the same project. JCCR favorably reviewed the FY 2020 and FY 2022 appropriations at its October 2021 meeting. ADOT is proposing to spend the total \$10.7 million of funding to construct a fuel station, a 4,100 square foot maintenance office/DPS office, and a 7,900 square foot truck barn/storage facility resulting in a cost per square foot of \$408. The new maintenance building will include offices, a meeting area, computer workstations, breakroom facilities, restrooms and a shower/locker area. The new maintenance buildings will be located on the same ADOT-owned property as the current facility. *Table 5* below breaks down the cost of the new Wickenburg facility by category.

Table 5	
Wickenburg Maintenance Facility Expenditure Plan	
<u>Item</u>	<u>Cost Estimate</u>
General Conditions	\$ 1,035,000
Demolition Work	339,800
Asbestos Abatement	24,000
Site Work	2,567,000
ADOT Maintenance/DPS Building	2,084,800
Truck Barn and Storage Building	2,816,200
Fuel Station	674,800
Architectural/Engineering Design Fees	724,200
Furniture, Fixtures, and Equipment	99,900
Information Technology	86,400
Contingency	<u>282,900</u>
Total Appropriated Budget	\$10,735,000

(Continued)

Vehicle Fueling Facilities Replacement (Flagstaff, Holbrook, and Kingman)

The FY 2023 appropriation of \$371,200 was designed to address inflation costs associated with a \$1.8 million FY 2022 appropriation to replace fueling facilities in Flagstaff, Holbrook, and Kingman. ADOT is proposing to spend the \$2.2 million of funding to replace the vehicle fueling facilities located in those 3 locations. *Table 6* below breaks down the cost of replacing the vehicle fueling facilities by category.

Table 6	
Vehicle Fueling Facilities Replacement Expenditure Plan	
<u>Item</u>	<u>Cost Estimate</u>
Construction and Fuel Equipment	\$ 1,500,000
Demolition Work	270,000
Design and Construction Administration	237,100
Information Technology	7,500
Contingency	<u>156,600</u>
Total Appropriated Budget	\$2,171,200

New Liquid Brine Tanks (Globe, Show Low, Prescott Valley, and Keams Canyon)

ADOT maintains liquid brine tanks located throughout the state. ADOT uses salt brine to de-ice highways. DOT reports a lack of sufficient brine production and storage facilities at certain locations along Arizona highways.

The FY 2023 appropriation of \$400,000 was designed to address inflation costs associated with a \$2.0 million FY 2022 appropriation to construct new liquid brine tanks located in Globe, Show Low, Prescott Valley, and Kearns Canyon. ADOT is proposing to spend the \$2.4 million of funding to construct new liquid brine tanks located in those 4 locations. *Table 7* below breaks down the cost of constructing these new liquid brine tanks by category.

Table 7	
Liquid Brine Tanks Expenditure Plan	
<u>Item</u>	<u>Cost Estimate</u>
Construction and Fuel Equipment	\$ 1,900,000
Design and Construction Administration	250,000
Contingency	<u>200,000</u>
Total Appropriated Budget	\$2,350,000

JJ:jj



Our True North: *Safely Home*

Director's Office

Douglas A. Ducey, Governor

John S. Halikowski, Director

Kismet Weiss, Deputy Director/Chief Operating Officer

Gregory Byres, Deputy Director for Transportation

July 6, 2022

The Honorable Regina E. Cobb
Chairman, Joint Committee on Capital Review
1716 West Adams
Phoenix, AZ 85007



Dear Representative Cobb:

The Arizona Department of Transportation (ADOT) respectfully requests to be placed on the agenda of the next Joint Committee on Capital Review (JCCR) meeting for review of the following projects:

Capital Improvement Projects	FY 2023 CIP Approp.	Previously Appropriated Amounts	Total Appropriated Amount
Renovate 206 Annex Building	\$9,309,300	\$0	\$9,309,300
Relocate Tucson Signal Equipment Repair Shop	\$2,124,000	\$0	\$2,124,000
Replace Vehicle Fueling Facilities in Tucson, St. David, Willcox and Three Points	\$3,026,900	\$0	\$3,026,900
Replace Deicer Material Storage Barn in Superior	\$1,200,000	\$0	\$1,200,000
Construct New Maintenance Facility in Wickenburg	\$2,985,000	\$7,750,000	\$10,735,000
Replace Vehicle Fueling Facilities in Flagstaff, Holbrook and Kingman	\$371,200	\$1,800,000	\$2,171,200
Construct New Liquid Brine Tanks in Globe, Show Low, Prescott Valley and Keams Canyon	\$400,000	\$1,950,000	\$2,350,000

Renovate 206 Annex Building

ADOT is appropriated \$9,309,300 in FY 2023 for the renovation of building 1005B, located at 206 S 17th Ave. This is a three story, 38,000 SF, concrete structure originally constructed in 1966 as an addition to the ADOT Administration building. The project also includes FY 2022 and FY 2023 Building Renewal of \$7,450,000 and \$1,686,000 respectively. The total project cost is estimated at \$18,445,300.

ADOT has structured the repair of this project utilizing both building renewal and CIP appropriations which have primarily been allocated as follows:

- Building Renewal - structural remediation and deficiencies
- CIP Appropriation – new construction, FF&E, information technology

The itemized project costs are shown below:

Item	FY 2022 Renewal	FY 2023 Renewal	FY 2023 CIP	Project Totals
Design	\$977,000			\$977,000
Removal of Interior	\$670,000			\$670,000
Structural Repairs	\$2,133,000	\$936,000		\$3,069,000
3rd Floor Windows	\$375,000			\$375,000
HVAC Equipment Replacement	\$1,540,000			\$1,540,000
New Infrastructure (power, Water, Sewer, FPS, PSO)	\$1,755,000	\$750,000		\$2,505,000
Construction			\$5,714,900	\$ 5,714,900
Furniture, Fixtures, and Equip.			\$1,863,200	\$1,863,200
Information Technology			\$800,300	\$800,300
Contingency			\$930,900	\$930,900
Total	\$7,450,000	\$1,686,000	\$9,309,300	\$18,445,300

In 2019, it was discovered during asbestos abatement that the floor slabs contained extensive spider-web cracking and slab sagging. Final analysis by a structural engineer determined that reinforcing was improperly installed in the slabs during construction, contrary to structural plans and code requirements. A structural repair plan was developed that required accessibility to all faces of all suspended floors and columns, necessitating the full relocation of all Annex building occupants and the removal of all interior finishes, walls, HVAC, plumbing, and electrical systems. The structural repair entails carbon fiber matting installed at critical locations at the top and bottom of existing floor slabs requiring full and unimpeded access. These repairs are underway and will extend the useful life of the building another 50 Years; without them the building will no longer be functional and ADOT will need to continue to rely on leased space.

The renovation will consist of all new interior finishes, HVAC, and utilities with ADOT standard offices and modular workstation layouts at floors two and three. ADOT will also construct specific space on the first floor to accommodate the ADOT Executive Hearing Office function (EHO) with effective security and separation from other ADOT functions, specific public entrances, support spaces, and hearing rooms, relative to the needs of EHO. Existing lease space occupied by EHO off-campus will be terminated upon relocation to the new space on the ADOT Central Campus. ADOT anticipates annual savings of ~\$660,000 annually from lease terminations.

Relocate Tucson Signal Equipment Repair Shop

In FY 2023, ADOT is appropriated \$2,124,000 to relocate the Tucson Light and Signal, and Signage and Striping, operations into the existing warehouse located at the I-19 and I-10 interchange right of way. The itemized project costs are shown below:

Item	Amount
Construction	\$1,600,000
Demo of Old Building	\$50,000
Design and Construction Administration	\$125,000
Information Technology/Security	\$96,500
Furniture, Fixtures & Equipment	\$80,000
Contingency	\$172,500
FY 2023 Appropriation Total	\$2,124,000

Currently, these operations are located on the ADOT Tucson Grant Road Maintenance Yard, where the Light and Signal operation is in a two story building that is: (1) insufficient for operational needs; (2) is not in ADA compliance; (3) is subject to periodic flooding and damage due to its location on the site.

The new 4,000 SF office and crew facility will combine the Light and Signal operation with the Signage and Striping operation, utilizing the existing warehouse located on the interchange site. Efficiencies of shared spaces and warehouse storage will meet the future needs of these operations and will free up warehouse space on the Grant Road site for other uses. The existing flood-prone building on the Grant Road site will be demolished as a part of this project.

Replace Vehicle Fueling Facilities (Phase 2) in Tucson, St. David, Willcox and Three Points

In FY 2023, ADOT is appropriated \$3,026,900 for new fueling replacement facilities at the ADOT Maintenance Yards in Tucson, St. David, Wilcox, and Three Points. The itemized project costs for the four facilities are shown below:

Item	Amount
Construction and Fuel Equipment	\$2,100,000
Demo of Existing Underground Tanks and Equipment	\$360,000
Design and Construction Administration	\$316,200
Information Technology	\$10,000
Contingency	\$240,700
FY 2023 Appropriation Total	\$3,026,900

The ADOT Equipment Services, Fuel Systems Management Group manages 57 fueling facilities located throughout the State of Arizona, issuing over 4 million gallons of diesel, unleaded and E-85 fuel annually. The average lifecycle for a typical fueling system is 30 years. Currently, ADOT has 16 of 57 fuel facilities that have fueling equipment that is in excess of 30 years in age with single wall tanks. Laws 2021, First Regular Session, Chapter 406 (SB 1820), Section 31 provided funding for three of the 16 facilities, and the FY 2023 Enacted Budget addresses four additional facilities. These sites are strategically located near the I-10 corridor to allow ADOT and other agencies to receive fuel.

Replace Deicer Material Storage Barn in Superior

In FY 2023, ADOT is appropriated \$1,200,000 for the replacement of the Superior Deicer Materials Storage Building. The itemized project costs are shown below:

Item	Amount
Construction	\$850,000
Design & Construction Administration Services	\$150,000
Demolition of the Existing Building	\$50,000
Contingency	\$150,000
FY 2023 Appropriation Total	\$1,200,000

The existing facility, built in 1973, is a wooden structure that no longer accommodates newer equipment, resulting in time-consuming manual process for loading the equipment. Due to cost and deterioration, the current structure is not feasible to repair.

ADOT will construct a 30' x 60' storage building for the storage of sand, cinders and premixed chemical materials which are used during winter months for highway de-icing operations. The new building will incorporate environmental enhancements requested by ADOA Risk Management and minimize the potential for environmental incidents. The building is steel frame construction with a 10-foot-high concrete base wall.

The project will enable ADOT to be in compliance with environmental regulations and realize a potential cost avoidance up to \$25,000 per day per violation, along with potential remediation costs. Materials will be more consistent in quality and more reliable.

Construct New Maintenance Facility in Wickenburg

ADOT was previously appropriated \$4,600,000 in FY 2020 ADOT pursuant to Laws 2019, First Regular Session, Chapter 264 (HB 2748), Section 17 and an additional \$3,150,000 in FY 2022 pursuant to Laws 2021, First Regular Session, Chapter 406 (SB 1820), Section 32 for construction of new roadway maintenance buildings in Wickenburg. The \$3,150,000 was required to address site conditions and increased construction costs that were identified during the design process. On October 5, 2021 ADOT received a favorable JCCR review for the project.

ADOT has received two bids, set to expire on August 14, 2022. The bids reflect a significant increase in market pricing above the original estimates. In FY 2023 ADOT was appropriated an additional \$2,985,000 to combat inflationary pressure. The itemized project costs are shown below:

Item	Amount
General Conditions	\$1,035,000
Demolition Work	\$339,800
Asbestos Abatement	\$24,000
Site Work	\$2,567,000
Maintenance/DPS Building (4,102 sq. ft.)	\$2,084,800
Truck Barn & Storage Building (7,927 sq. ft.)	\$2,816,200
Fuel Station	\$674,800

Architectural/Engineering Design Fees	\$724,200
Furniture, Fixtures, and Equipment	\$99,900
Information Technology	\$86,400
Contingency	\$282,900
Total	\$10,735,000

FY 2020 Appropriation	\$4,600,000
FY 2022 Appropriation	\$3,150,000
FY 2023 Appropriation	\$2,985,000
Total	\$10,735,000

The existing maintenance buildings at Wickenburg are small, old and outdated wooden structures, many of which were built during the 1940s. The maintenance office building is a converted residence and is built with asbestos containing materials. Another structure is an old residential trailer not suited for office use and is not ADA compliant. This building has experienced flooding numerous times that was caused by site water infiltration and is no longer fit for employee occupation.

In addition, DPS troopers currently use a 1940s era block structure that is also no longer fit for use. All structures have inadequate restroom and shower facilities. The project is funded to replace structures with new construction. The new buildings will provide work space for a supervisor, lead man, crew daily meeting area, computer workstations, break room facilities, restrooms and shower/locker area. Included in the construction of the new maintenance building will be an office for use by DPS troopers that patrol in the greater Wickenburg area.

Replace Vehicle Fueling Facilities (Phase 1) in Flagstaff, Holbrook and Kingman

In FY 2022, ADOT was appropriated \$1,800,000 for fueling facilities in Flagstaff, Holbrook, and Kingman. In FY 2023, ADOT was appropriated an additional \$371,200 due to inflationary cost pressure. The total appropriation is now \$2,171,200. The itemized project costs for the three facilities are shown below:

Item	Amount
Construction and Fuel Equipment	\$1,500,000
Demo of Existing Underground Tanks and Equipment	\$270,000
Design and Construction Administration	\$237,100
Information Technology	\$7,500
Contingency	\$156,600
Total	\$2,171,200

FY 2022 Appropriation	\$1,800,000
FY 2023 Appropriation	\$371,200
Total	\$2,171,200

As noted above, the ADOT Equipment Services, Fuel Systems Management Group manages 57 fueling facilities located throughout the State of Arizona, issuing over 4 million gallons of diesel, unleaded and

E-85 fuel annually. The average lifecycle for a typical fueling system is 30 years. Currently, ADOT has 16 of 57 fuel facilities that have fueling equipment that is in excess of 30 years in age with single wall tanks. This appropriation addresses three of the 16 facilities.

Originally, this appropriation was designated to include the replacement of the fueling facility at Holbrook ADOT Maintenance Yard. However, the facility in Needle Mountain developed a leak and was deactivated. Based on this information as well as operational needs, ADOT will defer the Holbrook fueling facility and instead include replacement of the Needle Mountain fueling facility at this time.

Construct New Liquid Brine Tanks in Globe, Show Low, Prescott Valley and Keams Canyon

In FY 2022, ADOT was appropriated \$1,950,000 for the construction of 4 liquid brine manufacturing facilities in Globe, Show Low, Prescott Valley and Keams Canyon. In FY 2023, ADOT was appropriated an additional \$400,000 due to inflationary cost pressure for building materials such as cement, structural steel, lumber, electrical components, etc. This project requires installation of new brine manufacturing equipment, plumbing, electrical, secondary containment and associated storage tanks. The total appropriation is now \$2,350,000. The itemized project costs for the four facilities are shown below:

Item	Amount
Construction	\$1,900,000
Design and Construction Administration	\$250,000
Contingency	\$200,000
Total	\$2,350,000

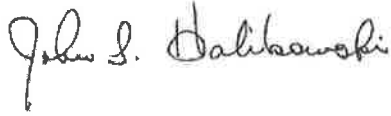
FY 2022 Appropriation	\$1,950,000
FY 2023 Appropriation	\$400,000
Total	\$2,350,000

ADOT is responsible for keeping State highways open and safe for the public when there is inclement weather such as snow. ADOT uses salt brine to de-ice highways. ADOT lacks sufficient brine production and storage facilities at key locations along Arizona highways, with the result that ADOT is forced to close some highways and limit access to others when the highways become unsafe.

When there is sufficient quantity of brine and other liquid deicers available at strategic locations along the northern highways, the operations to keep roads open and safe are more effective and efficient. Roads can be pretreated with brine ahead of the storm to keep ice from forming and liquid magnesium chloride can be applied to the salt being spread on the highway. All of this means that during winter storms: 1) roads are less icy and slippery, 2) there are fewer accidents, and 3) roads stay open.

Thank you for your consideration of this request. If you have any questions or need additional information, please contact David Bolter, Acting ADOT Budget Manager, at (602) 712-8917.

Sincerely,

A handwritten signature in dark ink, reading "John S. Halikowski". The signature is fluid and cursive, with the first name "John" and last name "Halikowski" clearly legible.

John S. Halikowski
Director

Cc: The Honorable David M. Gowan, Vice-Chairman, JCCR
Matthew Gress, Director, Office of Strategic Planning and Budgeting
Richard Stavneak, Director, Joint Legislative Budget Committee (JLBC)
Jordan Johnston, JLBC Analyst
Zachary Harris, OSPB Budget Manager
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