

**JOINT COMMITTEE ON CAPITAL REVIEW**

**Thursday, July 15, 2021**

**Immediately upon adjournment of the JLBC meeting**

**House Hearing Room 1**

**JLBC**

STATE OF ARIZONA

## Joint Committee on Capital Review

STATE  
SENATE

1716 WEST ADAMS  
PHOENIX, ARIZONA 85007

(602) 926-5491

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**\*\* REVISED \*\***

JOINT COMMITTEE ON CAPITAL REVIEW

Thursday, July 15, 2021

10:00 A.M. or Immediately on Adjournment of JLBC

House Hearing Room 1

The meeting will be held via teleconference software.

Members of the public may access a livestream of the meeting here:

<https://www.azleg.gov/videoplayer/?clientID=6361162879&eventID=2021071003>

### MEETING NOTICE

- Call to Order
- [Approval of Minutes of April 27, 2021.](#)
- DIRECTOR'S REPORT (if necessary).
- 1. [\\*\\*\\*ARIZONA STATE PARKS BOARD - Review of FY 2022 Capital Improvement Projects.](#)
- 2. [\\*\\*\\*DEPARTMENT OF PUBLIC SAFETY - Review of Wellness and Training Center Project.](#)
- 3. [\\*\\*\\*ARIZONA DEPARTMENT OF ADMINISTRATION - Review of FY 2022 Building Renewal Allocation Plan.](#)
- 4. [\\*\\*\\*ARIZONA GAME AND FISH DEPARTMENT - Review of Building Renewal Allocation and Reallocation Plans.](#)
- 5. [ARIZONA DEPARTMENT OF CORRECTIONS - Review of FY 2022 Capital Projects.](#)



6. \*\*\*ARIZONA EXPOSITION AND STATE FAIR BOARD - Review of FY 2022 Capital Improvement Expenditures.

7. \*\*\*ARIZONA DEPARTMENT OF ADMINISTRATION - Consider Recommending FY 2021 Rent Exemption.

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



Moved to Regular Agenda.

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

~~07/09/2021~~

07/14/2021

lm

**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.**



STATE OF ARIZONA

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### MINUTES OF THE MEETING

#### JOINT COMMITTEE ON CAPITAL REVIEW

April 27, 2021

The Chairman called the meeting to order at 10:00 a.m., Tuesday, April 27, 2021 in House Hearing Room 1 and via video conference. The following were present:

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

Absent:	Representative Bolding
	Representative Lieberman

#### APPROVAL OF MINUTES

Representative Cobb moved that the Committee approve the minutes of December 16, 2020. The motion carried.

#### CONSENT AGENDA

The following items were considered without discussion:

#### ADOPTION OF COMMITTEE RULES AND REGULATIONS

The Committee Rules and Regulations remain the same as last session.

(Continued)

**ARIZONA DEPARTMENT OF ADMINISTRATION (ADOA) - Consider Recommending FY 2021 Partial Rent Exemptions.**

A.R.S. § 41-792.01D authorizes the Director of 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 requested the Committee recommend partial rent exemptions of \$(2,300) for the Department of Insurance and Financial Institutions and a corresponding increase for ADOA and \$(8,000) for the State Board for Private Postsecondary Education and a corresponding increase for the Commission for Postsecondary Education. The JLBC Staff provided options.

**ARIZONA DEPARTMENT OF ADMINISTRATION (ADOA) - Review of Phoenix Veterans' Home Cooling Tower Project.**

A.R.S. § 41-1252 requires the Joint Committee on Capital Review to review capital projects with estimated costs exceeding \$250,000. ADOA, on behalf of the Department of Veterans' Services, requested Committee review of \$500,000 of non-appropriated monies in FY 2021 and FY 2022 for a cooling tower replacement at the Phoenix Veterans' Home. The JLBC Staff provided options.

**ARIZONA STATE UNIVERSITY (ASU) -Consider Review and Approval of Bateman Physical Sciences Center Financing Project.**

Pursuant to A.R.S. § 15-1671 and § 15-1683, the Joint Committee on Capital Review is required to approve any debt-financed capital projects paid with funds from the university's Capital Infrastructure Fund and review any university projects financed with system revenue bonds. ASU requested review and approval of its planned issuance of \$60,000,000 of system revenue bonds to fund the renovation of the Bateman Physical Sciences Center. The JLBC Staff provided options and potential provisions:

Standard University Financing Provisions

- A. *A favorable review and approval by the Committee does not constitute endorsement of General Fund appropriations to offset any revenues that may be required for operations and maintenance costs when the project is complete.*
- B. *ASU shall provide the final debt service schedules and interest rates for the projects as soon as they are available.*
- C. *On or before October 15 of each year until completion of the project, ASU shall report to the JLBC Staff on the status and expenditures of the Bateman Physical Sciences Center project. The report shall include expenditures to date, any changes to the planned construction timeline, the expected completion date, and any change to the scope of the project.*

**NORTHERN ARIZONA UNIVERSITY (NAU) - Review of Science Annex Renovation.**

A.R.S. § 15-1671 requires Committee review of any non-debt financed university capital projects paid for with funds from the university's Capital Infrastructure Fund (CIF). NAU requested review of its plan to pay \$8,009,000 in cash to complete renovation of its Science Annex Building utilizing the university's FY 2021 CIF appropriation totaling \$4,692,900. The JLBC Staff provided options and potential provisions:

(Continued)

Standard University Financing Provisions

- A. A favorable review by the Committee does not constitute endorsement of General Fund appropriations to offset any revenues that may be required for operations and maintenance costs when the project is complete.
- B. On or before October 15 of each year until completion of the project, NAU shall report to the JLBC Staff on the status and expenditures of the Science Annex Renovation project. The report shall include expenditures to date, any changes to the planned construction timeline, the expected completion date, and any change to the scope of the project.

**ARIZONA WESTERN COLLEGE (AWC) - Review of Revenue Bond Projects.**

A.R.S. § 15-1483 requires Committee review of any community college projects financed with revenue bonds that do not require voter approval. AWC requested Committee review of the issuance of \$35,865,000 of revenue bonds to finance facilities maintenance of 3 buildings and capital improvements. Debt service on the project will be funded from tuition revenue, distributions from the 16% excise tax on recreational marijuana sales (Proposition 207), program fees, and residence hall room and board fees. The JLBC Staff provided options and potential provisions:

- A. AWC shall provide the final debt service schedule and interest rate for the projects as soon as they are available.
- B. On or before July 31 of each year until completion of the projects financed from the bond issuance, AWC shall report to the JLBC Staff on the status and expenditures of each project. The report shall include the project expenditures to date, the expected completion date, and any change in project scope.

Representative Cobb moved that the Committee give a favorable review, or approval, as appropriate, of the 5 consent agenda items listed above with JLBC Staff provisions. The motion carried.

Without objection, the meeting adjourned at 10:01 a.m.

Respectfully submitted:



Kristy Paddock, Secretary

Jack Brown

Jack Brown, Deputy Director



Senator David Gowan, Chairman





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**DATE:** July 8, 2021  
**TO:** Members of the Joint Committee on Capital Review  
**FROM:** Stefan Shepherd, Deputy Director  
**SUBJECT:** Arizona State Parks Board - Review of FY 2022 Capital Improvement Projects.

## Request

A.R.S. § 41-1252 requires Committee review of expenditure plans for capital projects. The Arizona State Parks Board (ASPB) requests Committee review of \$2,396,700 from the State Parks Revenue Fund (SPRF) for capital projects. The FY 2022 Capital Outlay Bill appropriated \$2,396,700 from SPRF to ASPB for capital improvements.

## 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. SPB shall notify the Chairman and the JLBC Staff if they plan to spend the contingency allocation. SPB can spend the monies without further action.

### Key Points

- 1) SPB is requesting review of \$2.4 million from SPRF for capital improvement projects.
- 2) The request includes 6 projects relating to fire and life safety, accessibility, and building repair.

(Continued)



## Analysis

### Background

As outlined in *Table 1*, ASPB requests the Committee review the following 6 projects:

1. Fire and Life Safety  
\$616,700 will be used for statewide fire and life safety projects. ASPB has prioritized the renovation of non-functioning restrooms essential to public visitation and replacement of basement stairwells at historic buildings and structures.
2. Building Shelling  
\$770,000 will be allocated to statewide building shell projects, including repairs to windows and doors at ASPB facilities, and painting and staining wood exteriors to increase longevity of historical buildings as well as assessment of potential foundation and adobe remediation work.
3. Major Building Services  
\$120,000 will go towards major building service projects to repair outdated electrical systems and statewide heating and cooling as necessary.
4. Hazardous Abatement  
\$300,000 will be used for hazardous abatement projects, including the design and implementation of projects stabilizing the shoreline as well as repairing or replacing dilapidated boat docks at state parks.
5. Americans with Disabilities Act (ADA) Accessibility  
\$300,000 will be used for statewide ADA park assessments and remediation.
6. Emergency Contingency  
The remaining \$290,000 will be allocated for emergency contingency to address any shortage in funding for reviewed projects.

<b>ASPB FY 2022 Capital Improvement Projects</b>	
<u>Project Type</u>	
Fire & Life Safety	\$ 616,700
Building Shelling	770,000
Building Services	120,000
Hazardous Abatement	300,000
ADA Accessibility	300,000
Emergency Contingency	<u>290,000</u>
<b>Requested Funding</b>	<b>\$2,396,700</b>

SS:kp



Doug Ducey  
Governor

# ARIZONA STATE PARKS & TRAILS

Bob Broscheid  
Executive Director



June 8, 2021

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



RE: Arizona State Parks Board FY22 Capital Projects for the Joint Committee on Capital Review

Dear Senator Gowan:

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 June 2021 for review of funding to complete the projects outlined in the table on the following page totaling \$2,396,700. Based on the current capital outlay bill, ASPT plans on submitting the \$2.4M capital improvement item for the June JCCR agenda.

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 Mark Weise, Chief of Development, at 602-542-7157.

Sincerely,

Bob Broscheid  
Executive Director  
Arizona State Parks Board

cc: The Honorable Senator David M. Gowan, Chairman, JCCR  
Matthew Gress, Director, Office of Strategic Planning and Budgeting  
Richard Stavneak, JLBC Director  
Henry Furtick, JLBC Analyst  
Zachary Harris, OSPB Analyst  
Tim Franquist, ASPT Deputy Director



Doug Ducey  
Governor

# ARIZONA STATE PARKS & TRAILS

Bob Broscheid  
Executive Director



**Table 1**

**FY 2022 Building Renewal Allocation Plan**

<u>Fire &amp; Life Safety Projects</u>	\$ 616,700
Statewide replacement of Fire and Life Safety Systems; Statewide renovation/replacement of public restrooms; Replacement of hazardous ingress/egress access points at Historic buildings/structures	
<u>Building Shell Projects</u>	\$ 770,000
Statewide roof repair and replacement and window/door repairs; Historic building/structure foundation assessments and remediation	
<u>Major Building Services Projects</u>	\$ 120,000
Statewide heating/cooling systems repair and replacement; statewide repair of electrical systems	
<u>Special Construction &amp; Controls: Hazardous Abatement</u>	\$ 300,000
Statewide erosion control and shoreline stabilization; boat dock repair/replacement	
<u>ADA Accessibility</u>	\$ 300,000
Statewide Park ADA Assessments and Remediation	
<u>Other Projects</u>	\$ 290,000
Emergency Contingency	
<b>TOTAL</b>	<b>\$ 2,396,700</b>

Fire and Life Safety Projects

A total of \$615,000 will be allocated to fire and life safety projects statewide. ASPT has identified several priorities which include the renovation of non-functioning restrooms essential to public visitation; replacement of basement stairwells at historic buildings/structures that are in a state of disrepair thus creating a safety issue for egress in an emergency.



Doug Ducey  
Governor

# ARIZONA STATE PARKS & TRAILS

Bob Broscheid  
Executive Director



## Building Shell Projects

A total of \$770,000 will be allocated to building shell projects statewide. These include repairs to windows and doors at statewide facilities as well as painting/staining at historic buildings/structures to preserve the longevity of the wood exteriors; assessing and remediating water drainage issues (roofing/gutters/downspouts) on statewide buildings; completing an overall assessment of potential adobe wall and foundation remediation that is necessary to prolong the life of statewide historic structures.

## Major Building Services Projects

A total of \$120,000 will be allocated to major building services projects. These include completing repairs and replacement of outdated electrical systems that have become safety hazards. In addition, statewide heating and cooling systems will be repaired and/or replaced as necessary.

## Special Construction & Controls; Hazardous Abatement Projects

A total of \$300,000 will be allocated to hazardous abatement priority projects. These include completing the design and implementation of shoreline stabilization efforts to prevent continued erosion at ASPT's water parks as well as repairing and/or replacing dilapidated boat docks where the decking and bumpers are either missing or broken in numerous locations causing safety and liability issues.

## ADA Accessibility Projects

A total of \$300,000 will be allocated to statewide ADA park assessments and remediation for significant issues identified.

## Other Projects

A total of \$290,000 will be allocated for statewide emergency contingency as well as to cover any shortages in project cost estimates/scope based upon the volatile nature of building materials and contracting construction costs at the current time.

Some of the amounts listed above are based upon agency estimated scope and project costs, while others are based upon previously completed contractor estimates and/or historical costs.





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BEN TOMA

DATE: July 8, 2021  
TO: Members of the Joint Committee on Capital Review  
FROM: Jordan Johnston, Fiscal Analyst  
SUBJECT: Department of Public Safety - Review of Wellness and Training Center Project

## Request

A.R.S. § 41-1252 requires Committee review of expenditure plans for monies appropriated to capital projects. The Department of Public Safety (DPS) requests Committee review of \$3,000,000 from the Arizona Highway Patrol Fund for the construction of a new Wellness and Training Center located at the department's headquarters at 2320 N. 20<sup>th</sup> Avenue in Phoenix appropriated by the FY 2022 Capital Outlay Bill.

## 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

- 1) The department currently does not have a dedicated space to provide training for state troopers.
- 2) DPS is proposing to spend \$3.0 million to repurpose a vacant building into a wellness and training center, which will be located at 2320 N. 20<sup>th</sup> Avenue in Phoenix.
- 3) The new 10,000 square foot wellness and training center, at a cost of \$300 per square foot, will contain space for physical fitness equipment, locker room, restrooms, showers, and a "mat room" for hand-to-hand trainings.
- 4) DPS intends to solicit bids for the construction of the project. The department also plans to utilize existing state contracts for abatement costs and partner with the Arizona Department of Administration (ADOA) for project management.

(Continued)

## Analysis

### Background

Prior to becoming a sworn officer at DPS, state troopers receive their peace officer certification training at the Phoenix Regional Police Academy near South Mountain Park. Upon completing the peace officer certification and graduating from the academy, these graduates receive an additional 10 weeks of agency specific training to learn their roles as state troopers. After finishing this post-academy training, state troopers are required to maintain physical fitness standards in order to keep their peace officer status. In addition, state troopers must also reach a certain threshold of hours of specialized training (e.g. defensive tactics training) in order to maintain their peace officer status.

The department currently does not have a dedicated space for large classes and adequate physical fitness training equipment for existing state troopers. DPS owns a 50-year-old building located at 2320 N. 20<sup>th</sup> Avenue in Phoenix, which was vacated by various units after the department consolidated customer services in 2016. DPS is proposing to repurpose this vacant building to provide a training and wellness center for state troopers.

### Current Request

The FY 2022 Capital Outlay Bill appropriates \$3,000,000 from the Arizona Highway Patrol Fund to DPS to construct a new wellness and training center. DPS is proposing to expend the \$3,000,000 to repurpose an existing building into a 10,000 square foot wellness and training center, which equates to \$300 per square foot in renovation costs. Due to the age of the building, it will require new heating, ventilation, and air conditioning systems as well as new plumbing, windows, and interior finishing. The first floor of the building will house a new workout space with physical fitness equipment and a 3-lane indoor running track. In addition, about 2,400 square feet of space will be dedicated for locker room, shower, and restroom areas. The second floor of the building will contain a 2,400 square foot "mat room," which will be equipped with wrestling mats to conduct defensive tactics and other hand-to-hand trainings. The repurposed building will also house an outdoor turf area to be used as a training space during favorable weather.

The department intends to solicit bids for the construction of this new training center. However, DPS plans to use existing state contracts for abatement and partner with the Arizona Department of Administration (ADOA) for project management. *Table 1* below delineates the cost estimates of the wellness and training center by item category. The actual cost will ultimately depend on the result of the procurement process and the scope of the renovation, including the replacement of the HVAC system.

<b><u>Item</u></b>	<b><u>Cost Estimate</u></b>
Asbestos Abatement	\$ 20,000
Demolition and Construction	2,207,500
Equipment and Furnishing	302,000
Project Management	29,000
Contingency	<u>441,500</u>
<b>Total Appropriated Budget</b>	<b>\$3,000,000</b>

JJ:kp



# ARIZONA DEPARTMENT OF PUBLIC SAFETY

2102 WEST ENCANTO BLVD. P.O. BOX 6638 PHOENIX, ARIZONA 85005-6638 (602) 223-2000

*"Courteous Vigilance"*

**DOUGLAS A. DUCEY**      **HESTON SILBERT**  
Governor                      Director



June 8, 2021

Senator David M. Gowan, Chairman  
Joint Committee on Capital Review  
1716 West Adams  
Phoenix, Arizona 85007

Dear Senator Gowan:

The FY 2022 Capital Outlay Bill appropriates \$3 million from the Arizona Highway Patrol Fund to the Department of Public Safety to construct a new Wellness and Training Center. Pursuant to A.R.S. § 41-1252(C), DPS shall submit the scope, purpose, and estimated cost of the project to the JCCR for review prior to spending the appropriation.

With this letter and the enclosed document, DPS is submitting the necessary information for the review. We request a review of the project at the Committee's next meeting.

If you have any questions about the project, please contact Phil Case, DPS Budget Officer, at [pcase@azdps.gov](mailto:pcase@azdps.gov) or (602) 223-2463.

Sincerely,

Heston Silbert, Colonel  
Director

cc: Representative Regina E. Cobb, Vice-Chairman  
Matthew Gress, OSPB  
Richard Stavneak, JLBC

enclosure



**Arizona Department of Public Safety  
Training Center Project**

To support its physical fitness and law enforcement training needs, the Arizona Department of Public Safety (DPS) intends to repurpose a vacant building at 2320 N. 20<sup>th</sup> Avenue, Phoenix to provide a Training Center for new recruits and existing troopers. The building was vacated by various units when the Department consolidated customer services in our Public Services Center in 2016. DPS is the second largest state and local law enforcement agency in Arizona and employs approximately 1,160 State Troopers.

Currently, the Department has a small gym in the basement of a classroom building. The facility is only 2,917 square feet (s.f.) in size (2,285 s.f. of workout space and 632 s.f. for locker and shower rooms). There are no restrooms or “mat room”. Due to its size and other deficiencies, the space cannot accommodate the Department’s existing physical fitness and training needs. For example, the gym can only accommodate 10-15 people, whereas DPS routinely trains groups of 50 at a time. In order to meet our training needs, DPS must borrow or rent space from other entities or use makeshift spaces, such as parking lots or classrooms. This is both inefficient and, potentially, unsafe.

The building to be renovated is approximately fifty years old and is currently unoccupied. It will require new heating, ventilation and air conditioning systems along with new plumbing, windows and other interior finishes to make the space code compliant and ready for occupancy. The first floor of the new Training Center will house the workout, locker room, and restroom areas. The aerobic and weight training equipment area will have a three-lane indoor running track encircling the space. This floor will also have large capacity showers, locker rooms, and restrooms that will include ADA accessibility. The building has a small second floor, which will be utilized as a mat room. The mat room will be equipped with wrestling mats and will be used by Troopers to conduct defensive tactics training and to participate in other types of hand-to-hand training.

The Training Center will contain over 10,000 s.f. of workout space. The restrooms, showers and locker rooms will be a combined 2,368 s.f. The added training space on the second floor will provide 2,400 s.f. In addition, the east side of the building will house an outdoor turf area for auxiliary training space during favorable weather.

Below is the estimated cost breakdown of the proposed Training Center Project:

Demolition and Construction*	\$2,207,500
Contingency (20%)	441,500
Asbestos Abatement**	20,000
Project Management***	29,000
Equipment and Furnishings Allowance	302,000
<b>TOTAL</b>	<b>\$3,000,000</b>

\*Existing lowest responsive bidder contingent upon review by the Joint Committee on Capital Review

\*\*Abatement to be completed through separate existing State contract

\*\*\*Project management to be provided by the Arizona Department of Administration





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**DATE:** July 8, 2021

**TO:** Members of the Joint Committee on Capital Review

**FROM:** Rebecca Perrera, Principal Fiscal Analyst

**SUBJECT:** Arizona Department of Administration - Review of FY 2022 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 2022 Building Renewal Allocation Plan. The FY 2022 budget appropriates a total of \$24,200,000 for building renewal which includes \$6,200,000 from the General Fund and \$18,000,000 from the Capital Outlay Stabilization Fund (COSF).

ADOA is requesting review of its plan to spend \$18,000,000 for general building renewal projects. The department is also proposing to spend \$1,600,000 on agency space consolidation initiatives. ADOA intends to spend the remaining \$4,600,000 of the appropriation on space consolidation initiatives; that amount will be reviewed at a later date.

### 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 \$500,000, ADOA shall report the use of funds to JLBC.

(Continued)

**Key Points**

- 1) ADOA is seeking review of \$19.6 million of its \$24.0 million FY 2022 building renewal appropriation.
- 2) Of the \$19.6 million, ADOA will spend \$1.6 million to relocate 6 agencies within the Capitol Mall and from private space for a total square footage reduction of 26.9%.
- 3) ADOA proposes allocating \$18.0 million for general building renewal projects. The main uses will be:
  - a. HVAC, Elevator replacements and plumbing upgrades, \$8.3 million.
  - b. Parking Lot repairs, sump pumps and electrical upgrades, \$3.7 million.
  - c. Fire Alarm replacements, \$1.5 million.
  - d. Roof replacements, \$1.8 million.
  - e. Preventative maintenance, floor covering replacements, project management costs, and an emergency contingency, \$2.7 million.

**Analysis**

Space Consolidation Plan

The FY 2022 capital budget allows ADOA to spend its FY 2022 building renewal appropriation on projects related to retrofitting facilities for space consolidation initiatives. ADOA has allocated \$6.2 million of its total appropriation for space consolidation. ADOA requests review of its plans to spend \$1.6 million for initial design, building renovations, and moving costs for several state agencies located on the Capitol Mall and central Phoenix. ADOA reports that this initial cost will increase as the construction costs for the renovations required for these relocations are further scoped. *Table 1* outlines the proposed agency relocations included in ADOA's proposal. In total, the proposed moves funded with this allocation would reduce square footage used by state agencies (including private space) from 295,500 square feet to 216,100 square feet.

**Table 1**

<b>Space Compression Plan</b>				
	<u>Relocating From</u>	<u>Current Sq. Ft.</u>	<u>New Sq. Ft.</u>	<u>Reduction</u>
<u>Relocating to 1100 W. Washington (ADEQ)</u>				
Arizona State Parks	Private Space/1100 W Washington (Evans House)	20,405	15,054	(26.2)%
State Land Department	1616 W. Adams	61,193	47,505	(22.4)%
<u>Relocating to 100 N. 15<sup>th</sup> Ave (ADOA)</u>				
Arizona Department of Education	Private Space	69,555	53,006	(23.8)%
Department of Gaming	1100 W. Washington	27,220	19,484	(28.9)%
<u>Relocating to 1700 W Washington</u>				
Charter School Board	1616 W. Adams	5,387	4,776	(11.3)%
<u>Relocating to 701 E Jefferson</u>				
Department of Corrections	1601/1645 E. Jefferson	111,568	76,227	(31.7)%

ADOA's plan is to relocate the State Parks Board and the Land Department to the Arizona Department of Environmental Quality's building in an effort to co-locate natural resource related agencies. To make space in the ADEQ building, the Department of Gaming will move to ADOA's building along with the Arizona Department of Education's (ADE) staff currently located in private space. In addition, the Charter School Board will relocate to the Executive Tower.

(Continued)

Further, ADOA's plan is consistent with the budget, and moved the Arizona Department of Corrections (ADC) to vacant AHCCCS space. The budget includes a separate appropriation for the demolition of the ADC buildings which will be reviewed at a later date.

These agency relocations will leave the Land Department building at 1616 W. Adams partially vacant with the Board of Pharmacy and the Citizens Clean Elections Commission remaining in the building. The Department of Juvenile Corrections has also moved into the ADOA building which leaves their building located at 1624 West Adams entirely vacant.

#### 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 \$18.0 million for building renewal which funds 36.1% of its FY 2022 building renewal formula. (These amounts exclude ADC's facilities as they received their own building renewal appropriation.) See *Table 2* for the list of projects included in ADOA's FY 2022 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. In that circumstance, the JLBC Staff recommends the Committee adopt a provision requiring the department to submit any new non-emergency project categories for Committee review.

To track ADOA's actual spending decisions, the FY 2022 Capital Outlay Bill included a footnote requiring ADOA to report to the JLBC Staff on the status of all capital projects and capital expenditures on or before November 30, 2021 and May 31, 2022.

#### Fire and Life Safety Projects

A total of \$1.5 million will be allocated to fire and life safety system replacements statewide. ADOA has identified 3 priorities, including ADOA buildings on the Capitol Mall, the Arizona Historical Society (AHS) Tucson Museum Archive fire suppression system replacement, and the Arizona State Schools for the Deaf and the Blind (ASDB) Phoenix campus-wide fire alarm replacement.

#### Building Shell Projects

A total of \$1.9 million will be allocated to 8 different projects. Building priorities include roof repair and replacements at multiple buildings on the Capitol Mall and buildings statewide used by the Department of Economic Security (DES) and the Department of Health Services (DHS) State Hospital. In addition, the building shell allocation will fund parking garage repairs at the Arizona Department of Education.

(Continued)

Major Building Services Projects

A total of \$8.3 million will be allocated to 22 different projects. Building priorities include HVAC replacement (air handlers, cooling towers, pumps, chillers, and controls) at the Capitol Mall, Tucson Complex, DHS State Hospital, and DES. In addition, this allocation funds plumbing repairs at the DHS, ADE, the Supreme Court, Corporation Commission, House of Representatives, State Senate, and Executive Tower. Finally, this allocation funds a rehabilitation of the Sharlot Hall Museum 121 Summit building.

<b>Table 2</b>	
<b>FY 2022 Building Renewal Allocation Plan</b>	
<u>Fire &amp; Life Safety Projects</u>	
ADOA Statewide Replace Fire and Life Safety Systems, Arizona Historical Society Fire Suppression Replacement Archives, and ASDB Phoenix Campus-wide Fire Alarms	\$ 1,533,200
<u>Building Shell Projects</u>	
ADOA Statewide Roof Repair and Replacement, Masonry, and Parking Garage Repairs.	\$ 1,855,000
<u>Major Building Services Projects</u>	
ADOA Statewide HVAC Systems Replacement, Elevator Modernization, Plumbing, and Electrical Repairs	\$ 8,280,000
<u>Infrastructure Projects</u>	
ADOA Capitol Mall Repair of Parking Lots, Electrical Service Entrances, Sump Pumps, Generator, and Security Systems.	\$ 3,650,000
<u>Building Interior Projects</u>	
ADOA Capitol Mall Flooring Replacement	\$ 300,000
<u>ADA Compliance</u>	
Statewide ADA Compliance	\$ 200,000
<u>Preventative Maintenance Projects</u>	
ADOA Capitol Mall Preventative Maintenance	\$ 800,000
<u>Other Projects</u>	
Project Management	\$ 726,000
Building Renewal Project Scoping	150,000
Risk Management Insurance Premium	5,800
Emergency Contingency	<u>500,000</u>
<i>Subtotal</i>	\$ 1,381,800
<b>TOTAL</b>	<b>\$ 18,000,000</b>

Infrastructure Projects

A total of \$3.7 million will be allocated to infrastructure projects. This amount will be used to replace parking lot surfaces at the Capitol Mall. In addition, this allocation includes electrical projects to replace generators, sump pumps, electrical service entrances, and security systems.

Building Interior Projects

A total of \$300,000 will be allocated to replacing carpet and floor coverings statewide. ADOA specifically plans to replace carpet statewide and stair tread at the Executive Tower.

(Continued)

ADA Compliance Projects

A total of \$200,000 is allocated for statewide ADA compliance projects including bathroom retrofits and building access ramps.

Preventative Maintenance Projects

A total of \$800,000 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 2022 building renewal appropriation for preventative maintenance.

Other Projects

The sum of \$726,000 will be allocated to cover project management costs for FY 2022 building renewal projects. The FY 2022 Capital Outlay bill includes a footnote allowing ADOA to allocate up to 5% of its capital appropriations for project management. ADOA's FY 2022 allocation consists of 3% of its total FY 2022 building renewal appropriation.

Because some of the project costs listed above were based solely on agency estimates, \$150,000 will be spent on contractors to better develop detailed scopes of work to implement projects in a cost-effective manner. A payment of \$5,800 will be paid for a Construction Insurance Premium. A total of \$500,000 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.

RP:kp

Douglas A. Ducey  
Governor



Andy Tobin  
Director

**ARIZONA DEPARTMENT OF ADMINISTRATION**

OFFICE OF THE DIRECTOR  
100 NORTH FIFTEENTH AVENUE • SUITE 401  
PHOENIX, ARIZONA 85007  
(602) 542-11500



June 7, 2021

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

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

Dear Senator Gowan and Representative Cobb:

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 2021, First Regular Session, Chapter XXX (SB\_\_\_\_\_) appropriated \$24,200,000 to the Arizona Department of Administration (ADOA) to allocate to the ADOA Building System for building renewal projects, including fire and life safety projects and targeted infrastructure repairs and replacements.

ADOA requests placement on JCCR's June 2021 agenda for favorable review of ADOA's FY 2022 Building Renewal Allocation Plan of \$18,000,000 to the ADOA Building System.

ADOA has separated its request for placement on the June 2021 agenda for review of its FY 2022 ADOA Building System Building Renewal Allocation Plan into two separate items: 1) request for favorable review of \$18,000,000 of building renewal projects for the ADOA Building System and 2) request for favorable review of relocation and renovation expenses associated with ADOA's Compression Plan.

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.

If you have any questions regarding ADOA's FY 2022 ADOA Building System Building Renewal Allocation Plan please contact Nola Barnes, Assistant Director, ADOA General Services Division (GSD), at 602-361-1636.

Sincerely,



Andy Tobin  
Director

Attachments (1)

cc: Richard Stavneak, Director, JLBC Staff  
Rebecca Perrera, Principal Fiscal Analyst, JLBC Staff  
Matt Gress, Director, OSPB  
Bill Greeney, Deputy Director, OSPB  
Will Palmisano, Senior Budget Manager, 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, General Manager, ADOA/DBF/PCS

Arizona Department of Administration (ADOA) Building System  
FY 2022 Building Renewal Appropriation Allocation Plan

Laws 2021, First Regular Session, Chapter XXX, (SB \_\_\_\_\_)  
\$18,000,000

**FY 2022 Building Renewal Allocation Plan**

<b>Project Category</b>	<b>Allocation</b>
Fire & Life Safety	\$ 1,533,200
Building Shell (Asset Preservation)	\$ 1,855,000
Major Building Services	\$ 8,280,000
Infrastructure	\$ 3,650,000
Building Interior Projects	\$ 300,000
ADA Accessibility	\$ 200,000
Project Scoping/Professional Services	\$ 150,000
Preventive Maintenance	\$ 800,000
Construction Services Project Management	\$ 726,000
Risk Management Insurance Premium	\$ 5,800
Building Renewal Emergency & Contingency Allocation	\$ 500,000
<b>Total FY 2022 Building Renewal Allocation Plan</b>	<b>\$ 18,000,000</b>

Arizona Department of Administration (ADOA) Building System  
FY 2022 Building Renewal Appropriation Allocation Plan

Laws 2021, First Regular Session, Chapter XXX, (SB \_\_\_\_\_)  
\$18,000,000

**\$1,533,200 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. Currently, the most critical deficiency is the number of fire suppression sprinkler heads in various locations including the Capitol Mall, Phoenix Metro, and Tucson that have exceeded their 50 year life expectancy. The following list of deficiencies is just a portion of the fire and life safety work that needs to be accomplished throughout the ADOA Building System.

- ASDB Phoenix - Campus Wide Fire Alarm Replacement
- AHS Tucson Museum - Fire Suppression System Replacement Archives
- Capitol Mall - Fire Suppression Sprinkler Head Replacements Multiple Locations

**\$1,855,000 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:

- DHS ASH Campus - Multiple Roof Restorations
- DES ATP Coolidge Kitchen and 2 Resident Buildings - New Roofs
- DES Statewide - New Roofs 4 Buildings
- 1200 W Washington St Mechanical Bldg - Masonry, Roof, Parapet Roof Repairs
- 1300 W Washington St - Repair and Recoat Roof
- 1535 W Jefferson St Garage - Replace failed floor expansion joints
- 1801 W Madison St - Repair and Recoat Roof
- 1805 W Madison St - Partial Deck Replacement and New Roof

Arizona Department of Administration (ADOA) Building System  
FY 2022 Building Renewal Appropriation Allocation Plan

Laws 2021, First Regular Session, Chapter XXX, (SB \_\_\_\_\_)  
\$18,000,000

**\$8,280,000 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.

Various 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.

Numerous 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.

Some elevator control systems for elevators 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. A portion of the project deficiencies include the following:

- DHS ASH - Alhambra AHU Replacements - Phase 1
- DHS ASH - ACPTC Restroom Renovations
- DES - Casa Grande HVAC Replacement
- PHS - Sharlot Hall Museum 121 Summit Rehabilitation
- 15 S 15th Ave - Replace Parking Garage Exhaust Fans and EMS Controls
- 400 W Congress St - Penthouse AHU and Economizers
- 400 W Congress St - Cooling Towers and Chiller Pumps Replaced
- 1200 W Washington St - New VAV Controls
- 1300 W Washington St - Repair/Replace Plumbing Waste Lines; Restroom Renovation
- 1501 W Washington St Arizona Supreme Court - Plumbing Repairs
- 1535 W Jefferson St - Replace Restroom Exhaust Fans
- 1700 W Washington St House of Representatives - New Electrical Panel Design and Upgrades
- 1700 W Washington St House of Representatives - Replace Domestic Water Piping

Arizona Department of Administration (ADOA) Building System  
FY 2022 Building Renewal Appropriation Allocation Plan

Laws 2021, First Regular Session, Chapter XXX, (SB \_\_\_\_\_)  
\$18,000,000

- 1700 W Washington St House of Representatives - Replace Sewer Piping
- 1700 W Washington St State Senate - Replace Boiler
- 1700 W Washington St State Senate - Replace Domestic Water Piping
- 1700 W Washington St State Senate - Replace Sewer Piping
- 1700 W Washington St State Senate - Replace Electrical Panels
- 1700 W Washington St State Senate - Replace Chilled Water Pumps
- 1700 W Washington St State Senate - Replace Boiler Filter Rack
- 1700 W Washington St State Capitol 1938 Addition - Replace Basement AHU and Electrical Panels
- 1789 W Jefferson St - Replace Transfer Switch in Garage

**\$3,650,000 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 storm sewers, waste treatment, electrical distribution, site lighting, fencing, communications, and security systems such as access control, locks, and camera devices and footage storage systems. Many of these type systems have been in a “deferred indefinitely” status for many years and are in an exhausted state of deterioration. The 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. In most cases, interim measures such as patch repairs and sealants are ineffective and the only option is to remove and replace the asphalt. In addition, the security system for the Capitol Mall area is in need of significant replacements and upgrades to camera devices and data storage to adequately secure the area in times of unprecedented civil unrest and increased criminal activity and to provide increased viewing capabilities for security teams. The proposed allocation will address critical infrastructure needs throughout the ADOA Building System.

Project deficiencies include:

- Capitol Mall Multiple - Seal and Recoat Parking Lots
- Capitol Mall - Replace and Upgrade Security Systems
- 15 S 15th Ave - Replace Generator
- 15 S 15th Ave - Install Sump Pump EMS
- 1101 W Washington St - Replace SES and Electrical in Cooling Tower Yard
- 1600 W Monroe St - Repair and Replace Sump Pumps
- 1600 W Monroe St - Replace Parking Lot
- 1700 W Washington St State Senate - Replace SES
- 1700 W Washington St House of Representatives - Replace Sump Pump Controls
- Wesley Bolin Plaza - State Senate and Visitor - Replace South Parking Lots

**\$300,000 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

Arizona Department of Administration (ADOA) Building System  
FY 2022 Building Renewal Appropriation Allocation Plan

Laws 2021, First Regular Session, Chapter XXX, (SB \_\_\_\_\_)  
\$18,000,000

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:

- 1700 W Washington St Executive Tower - Replace Stair Treads and Coverings in South Stairwell
- Statewide - Flooring Replacements

**\$200,000 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 allow facilitate access to services and workplaces for persons with disabilities.

**\$150,000 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.

**\$800,000 PREVENTATIVE MAINTENANCE**

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

**\$726,000 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 2022 Building Renewal, ADOA may allocate up to five percent for project management related expenses. ADOA is allocating three percent (3%) of the appropriated amount, \$726,000, for building renewal project management expenses.

**\$5,800 RISK MANAGEMENT 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 Engineering and Architectural (A&E) services contracts. The

Arizona Department of Administration (ADOA) Building System  
FY 2022 Building Renewal Appropriation Allocation Plan

Laws 2021, First Regular Session, Chapter XXX, (SB \_\_\_\_\_)  
\$18,000,000

premium is not paid for direct construction costs or reimbursable expenses.

**\$500,000 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.

Douglas A. Ducey  
Governor



Andy Tobin  
Director

ARIZONA DEPARTMENT OF ADMINISTRATION

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June 7, 2021

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



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

Dear Senator Gowan and Representative Cobb:

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 2021, First Regular Session, Chapter XXX (SB \_\_\_\_\_) appropriated \$24,200,000 to the Arizona Department of Administration (ADOA) to allocate to the ADOA Building System for building renewal projects, including fire and life safety projects and targeted infrastructure repairs and replacements, and for relocation and renovation expenses associated with targeted consolidations of office space to facilitate remote work initiatives and to reduce the State's liabilities of deferred maintenance. ADOA is referring to its targeted office space consolidation plan as a "Compression Plan."

ADOA has separated its request for placement on the June 2021 agenda for review of its FY 2022 ADOA Building System Building Renewal Allocation Plan into two separate items: 1) request for favorable review of \$18,000,000 of building renewal projects for the ADOA Building System and 2) request for favorable review of relocation and renovation expenses associated with ADOA's Compression Plan.

ADOA is allocating \$6,200,000 to relocation and renovation expenses associated with its Compression Plan. ADOA requests favorable review of \$1,600,000 of this allocation for initial design, demolition, and relocation expenses associated with the early phases of the Compression



The Honorable David M. Gowan  
The Honorable Regina E. Cobb  
June 7, 2021  
Page 2 of 2

Plan. As ADOA is informed of construction and related costs in the coming months, it will request review of additional dollars from this allocation.

It is critical that the \$1,600,000 of the allocation is reviewed as swiftly as possible to avoid delays in executing ADOA's Compression Plan. Adhering to the established timeline for each of the project dependencies is critical to realization of expected savings results.

If you have any questions regarding ADOA's FY 2022 ADOA Building System Building Renewal Allocation Plan please contact Nola Barnes, Assistant Director, ADOA General Services Division (GSD), at 602-361-1636.

Sincerely,



Andy Tobin  
Director

Attachments (1)

cc: Richard Stavneak, Director, JLBC Staff  
Rebecca Perrera, Principal Fiscal Analyst, JLBC Staff  
Matt Gress, Director, OSPB  
Bill Greeney, Deputy Director, OSPB  
Will Palmisano, Senior Budget Manager, OSPB  
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John Hauptman, General Manager, ADOA/DBF/PCS

Arizona Department of Administration (ADOA) Building System  
FY 2022 Building Renewal Appropriation Relocation Allocation Plan  
Laws 2021, 1st Regular Session, Chapter XXX (SB \_\_\_\_\_)  
\$1,600,000 of a \$6,200,000 Allocation

**\$1,600,000 Relocation and Renovation ADOA Compression Plan**

In March 2020 a significant number of State employees began working remotely in response to COVID-19. In June 2020 the Executive Branch launched the Arizona Connected Workforce (ACW) initiative to build on the positive outcomes of the remote work situation and sustainably transform the “how” and “where” of the State workforce, with an emphasis on modernizing operations and services to customers and implementing best-practices for managing and coaching a remote workforce. As a result of the transition of a number of State employees to remote work on either a full or part time basis many of the State’s owned and leased real estate assets are underutilized.

ADOA’s Compression Plan is a multi-year plan and includes collaborative efforts with several state agencies. ADOA is prioritizing the backfill of larger and better maintained assets and eliminating inefficient, underutilized, and decrepit facilities through sales, renovations, and demolitions.

**Compression Plan Goals**

**Reduce the State’s Physical Footprint**

- Prioritizing facilities use based on existing debt service obligations
- Co-locating similar state agencies
- Generating long-terms savings in rental obligations
- Improving the conditions and functionality of work spaces

**Reduce Deferred Maintenance**

- Reallocating repair and maintenance resources to better office buildings
- Renovations of facilities; one-time revenues from sales to offset renovation costs
- Disposing of excess real estate assets via sale or lease or demolition

**Create Hoteling & Collaborative Workspace Opportunities**

- Future model for state office space

**Sustain Capital Outlay Stabilization Fund (COSF)**

- Maximizing operational resources

**Projected Results**

- \$9.6 M annually in State rent reductions (state and private reductions)
- 720,000 sq ft in State footprint reductions
- \$58.2 M in deferred maintenance eliminations
- \$4.4 M from proposed sales

The \$1.6 M requested here for review will facilitate compression activity such as architectural design for renovations/tenant improvements, demolition, furnishings install, relocation, data and cabling, general contractors, security, audio visual, and contingency for the following underway Compression Plan projects:

- Relocation of ADCRR to 701 E Jefferson in FY 2022

Arizona Department of Administration (ADOA) Building System  
FY 2022 Building Renewal Appropriation Relocation Allocation Plan  
Laws 2021, 1st Regular Session, Chapter XXX (SB \_\_\_\_\_)  
\$1,600,000 of a \$6,200,000 Allocation

- This is a dependency of 1601/1645 W Jefferson demolitions
- Relocation of ASPT to 1110 W Washington
  - This is a dependency of its mo to mo private lease termination August 2021
- Relocation of ADE to 100 N 15th Ave 4th Floor
  - This is a dependency of its private lease termination on November 2021
- Relocation of Charter Schools Board to 1700 W Washington
  - This is a dependency of vacating 1616 W Adams
- Relocation of Gaming to 100 N 15th Ave 2nd Floor
  - This is a dependency of backfilling 1110 W Washington with similar natural resource state agencies
- Relocation of ASLD to 1110 W Washington
  - This is a dependency of vacating 1616 W Adams

As ADOA is informed of construction and related costs in the coming months, it will request review of additional dollars from this allocation. It is critical that the \$1,600,000 of the allocation is reviewed as swiftly as possible to avoid delays in executing ADOA's Compression Plan. Adhering to the established timeline for each of the projects and related project dependencies is critical to realization of expected savings results.

ADOA looks forward to sharing its multi year Compression Plan that includes completed projects, underway projects, and prospective projects at a convenient time in advance of the Joint Committee on Capital Review (JCCR) review of this allocation.





STATE OF ARIZONA

## Joint Committee on Capital Review

STATE  
SENATE

DAVID M. GOWAN  
CHAIRMAN

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RICK GRAY  
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HOUSE OF  
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RANDALL FRIESE  
JOHN KAVANAGH  
AARON O. LIEBERMAN  
JOANNE OSBORNE  
BEN TOMA

**DATE:** July 8, 2021

**TO:** Members of the Joint Committee on Capital Review

**FROM:** David Hoffer, Economist

**SUBJECT:** Arizona Game and Fish Department - Review of Building Renewal Allocation and Reallocation Plans

### Request

A.R.S. § 41-1252 requires Committee review of expenditure plans for building renewal monies. The Arizona Game and Fish Department (AGFD) is requesting review of \$1,383,300 for new building renewal and reallocation projects. A total of \$170,000 of the building renewal projects are being funded from the reallocation of building renewal monies previously reviewed by the Committee.

### 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

- 1) The AGFD is seeking a review of \$1.2 million for 20 items in its FY 2022 building renewal allocation plan.
- 2) The 20 items include 9 regional properties, 7 wildlife areas, 2 headquarter/statewide projects, and 2 emergency and maintenance allocations.
- 3) The AGFD also proposes reallocating \$170,000 of FY 2021 building renewal monies for 2 projects at the Page Springs Hatchery. These funds are available due to previously reviewed projects being completed under budget.

(Continued)

**Analysis**

FY 2022 Building Renewal Allocation Plan

The FY 2022 Capital Outlay Bill appropriated a total of \$1.2 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.

As background, regional offices serve as a base of operations for AGFD personnel in their respective geographical areas and typically employ around 30 employees, wildlife areas are habitats of particular recreational significance that employ a full-time manager on-site, and fish hatcheries produce the sportfish stocked throughout Arizona lakes.

<b>Table 1</b>	
<b>Building Renewal Plan - New Projects</b>	
<u>Regional Office Projects</u>	
Ben Avery Shooting Facility – Practical Pistol Building Improvements	\$ 75,000
Pinetop – Old Hatchery Building	85,000
Pinetop – Regional Complex Propane Tank Reallocation	15,000
Yuma – Regional Complex CCTV System	55,000
Yuma – Regional Complex Vehicle Gate	15,000
Yuma – Regional Complex Light Replacement to LED	35,000
Tucson – Regionals Complex Light Replacement to LED	35,000
Ryan Property – Roof Replacement	99,000
Mesa – Office Complex CCTV System	<u>65,000</u>
Subtotal	\$ 479,000
<u>Wildlife Area Projects</u>	
Horseshoe Ranch Wildlife Area – Building Improvements	\$ 35,000
Horseshoe Ranch Wildlife Area – Generator Power System Renovation	100,000
Robbins Butte Wildlife Area – Buildings Repair and Maintenance	60,000
Robbins Butte Wildlife Area – Domestic Water Treatment	75,000
Bubbling Ponds Hatchery – Building Repairs	40,000
Sterling Springs Hatchery – Building Repairs	70,000
Tonto Creek Hatchery – Building Repairs	<u>75,000</u>
Subtotal	\$ 455,000
<u>Headquarters/Statewide Projects</u>	
Arizona Game and Fish Department ADA Accessibility	\$ 55,000
State Headquarters – Major Maintenance Fund	<u>52,200</u>
Subtotal	\$ 107,200
<u>Maintenance and Emergency Allocations</u>	
Emergency Allocation	\$ 75,000
Preventative Maintenance	<u>97,100</u>
Subtotal	<u>\$ 172,100</u>
<b>Total</b>	<b>\$1,213,300</b>

(Continued)

FY 2021 Building Renewal Reallocations

The department proposes reallocating \$170,000 from FY 2021 building renewal monies to new projects. These monies are being reallocated due to previously reviewed projects being under the budgeted amount. The department proposes reallocating monies to the following new projects listed in *Table 2*.

<b>Table 2</b>	
<b>Building Reallocation Plan - New Projects</b>	
<u>Wildlife Area Projects</u>	
Page Springs Hatchery Building Maintenance	\$150,000
Page Springs Hatchery Domestic Water System Improvements	<u>20,000</u>
<b>Total</b>	<b>\$170,000</b>

DH:lm



# Arizona Game and Fish Department Building Renewal Expenditure Plan Fiscal Year 2022

**Project:** Pinetop Regional Complex Propane Tank Relocation

**Funding Source:** Game and Fish Fund

**Need:** The Arizona Game and Fish Department 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 the Department'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.

The propane tank servicing the Pinetop regional complex bunkhouse currently does not have a secure concrete foundation. The tank is currently subject to movement due to ground freezing and thawing and changes to moisture levels. Such movement presents a potential fire hazard, as excessive movement can cause a rupture to the propane line. Additionally, the tank's current location puts it at higher than necessary risk of vehicle impact.

**Project Description:** Relocate existing propane tank to reduce vehicle impact potential, place the propane tank onto a cement pad, and secure with bollards or other devices as necessary to further minimize vehicle hazards.

**Impact of Not Approving this Request:** The Arizona Game and Fish Department is committed to providing a safe working environment for its employees and preserving its administrative assets. To defer this work would perpetuate a potentially serious fire hazard. There is also potential for a small leak to go undetected, wasting resources while posing a fire risk.

**Cost Estimate:** \$15,000







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**Project:** Pinetop Old Hatchery Building

**Funding Source:** Game and Fish Fund

**Need:** The Arizona Game and Fish Department 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 the Department'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.

The "Old Hatchery" building at the Regional Office is a historic brick building over 70 years of age that was used as one of the first State hatcheries. In addition to its historic value necessitating preservation, the old hatchery is still used by Department staff as equipment storage and for the raising of wildlife species for the area. Currently the mortar used to hold the bricks together is falling out or missing in many places. The Arizona Game and Fish Department has worked with the architect at Arizona State Historic Preservation office to determine the best solution to preserve the integrity of the building.

**Project Description:** Reset building bricks with mortar, re-point missing mortar, reuse existing bricks.

**Impact of Not Approving this Request:** The Arizona Game and Fish Department is committed to proper stewardship of state resources, providing a safe work environment and to preserving its administrative assets. The historic nature of this building requires consistent maintenance and preservation efforts. Deferral of this work will cause the historic structure to continue degrading, increasing future costs and adding significant complexity to future preservation efforts.

**Cost Estimate:** \$85,000



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**Project:** Ryan Property Roof Replacement

**Funding Source:** Game and Fish Fund

**Need:** The Department's Ryan property is a cabin and water house utilized by Department employees conducting field operations in Game Management Unit 12A from April to November each year. The building's remote location makes it an effective central bunkhouse for Department staff conducting research, hunt patrols, and other field operations on or near the North Kaibab National Forest. The main house on the property has been in use since the early 1940's. The roofs on the property have aged and are nearing the end of their functional life. In their current condition they are no longer performing as needed to support Department staff. Leaks have been noted in several locations and are causing persistent damage to the structure. The Department proposes to address the overall roofing needs of the property, and minimize roofing maintenance costs at this site for the next 15-20 years.

**Project Description:** Remove the existing roofing material, replace bad roof sheathing and re-roof with new standing seam roofing material.

**Impact of Not Approving this Request:** The Arizona Game and Fish Department is committed to providing a safe working environment for its employees and preserving its administrative assets. To defer this work would perpetuate a substandard working environment, and allow continued water damage to the main building which will result in more serious and costly maintenance needs in the future.

**Cost Estimate:** \$99,000



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**Project:** Yuma Regional Complex CCTV system

**Funding Source:** Game and Fish Fund

**Need:** The Arizona Game and Fish Department 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.

The Yuma Regional office complex closed circuit television system is many years old and still utilizes an analog type system. Outdoor camera covers have been damaged by the sun over time and can no longer be replaced due to their age. The current condition of the system hinders the utility of cameras for law enforcement response to criminal activity, onsite incidents, or accidents.

**Project Description:** Replace existing cameras and upgrade the recording system to a digital format that will provide better clarity and resolution. The new system shall be compatible with the Panasonic system that is the Arizona Game and Fish Department's standard CCTV for uniformity and access from our 24/7 radio room operations.

**Impact of Not Approving this Request:** The Arizona Game and Fish Department is committed to providing a safe working environment for its employees, and a welcoming environment for the public and our customers. Deferral of this work will perpetuate a security vulnerability and hinder law enforcement actions as the security and safety of the complex can not be effectively monitored at this time.

**Cost Estimate:** \$60,000



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**Project:** Yuma Regional Complex Vehicle Gate

**Funding Source:** Game and Fish Fund

**Need:** The Arizona Game and Fish Department 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.

The Northside remote gate at the Yuma Regional Complex is improperly constructed and often requires service. The design of the current gate pushes debris and dirt into the motor with motion. Additionally the existing gate is too heavy for the motor, and causes repeated failures of the system.

**Project Description:** Replace current gate with V-track rolling gate, alleviating stress on the motor and preventing debris from entering the system. Replace gate operator based on the condition and heavy use.

**Impact of Not Approving this Request:** The Arizona Game and Fish Department is committed to proper stewardship of state resources and preserving its administrative assets. Deferral of this work will result in continued costly repairs to constantly fix the gate and the operator. Eventual failure of the system will eliminate one of only two entry points to secure areas of the Yuma Regional Complex.

**Cost Estimate:** \$15,000



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**Project:** Yuma Regional Complex Light Replacement to LED

**Funding Source:** Game and Fish Fund

**Need:** The Arizona Game and Fish Department 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.

The Department has been replacing lighting fixtures at its Phoenix Headquarters, beginning with interior light fixtures and now expanding to the interior office and building structures. Regional Office lighting fixtures at all regional offices date to original construction in the 1980's. These dated fixtures require lamping that is extremely energy inefficient and can be difficult to acquire due to age, the lamps and ballast are a continuous maintenance effort and this type of lighting is very wasteful of energy by modern standards.

**Project Description:** Replace all existing interior lights with new LED compatible components. Preserve light fixture bases and upgrade internal ballast and lamping systems.

**Impact of Not Approving this Request:** The Arizona Game and Fish Department is committed to providing a safe working environment for its employees, and a welcoming environment for the public and our customers. To defer this work would impose a budgetary hardship on the Department's regional offices; labor must typically be performed by an outside vendor when interior lighting requires maintenance and a considerable cost savings would go unrealized as the operation of LED light is greatly reduced compared to older technology. In most cases, return on investment in LED lighting is realized within 2-3 years.

**Cost Estimate:** \$35,000



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**Project:** Tucson Regional Complex light replacement to LED

**Funding Source:** Game and Fish Fund

**Need:** The Arizona Game and Fish Department 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.

The Department has been replacing lighting fixtures at its Phoenix Headquarters, beginning with interior light fixtures and now expanding to the interior office and building structures. Regional Office lighting fixtures at all regional offices date to original construction in the 1980's. These dated fixtures require lamping that is extremely energy inefficient and can be difficult to acquire due to age, the lamps and ballast are a continuous maintenance effort and this type of lighting is very wasteful of energy by modern standards.

**Project Description:** Replace all existing interior lights with new LED compatible components. Preserve light fixture bases and upgrade internal ballast and lamping systems.

**Impact of Not Approving this Request:** The Arizona Game and Fish Department is committed to providing a safe working environment for its employees, and a welcoming environment for the public and our customers. To defer this work would impose a budgetary hardship on the Department's regional offices; labor must typically be performed by an outside vendor when interior lighting requires maintenance and a considerable cost savings would go unrealized as the operation of LED light is greatly reduced compared to older technology. In most cases, return on investment in LED lighting is realized within 2-3 years.

**Cost Estimate:** \$35,000



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**Project:** Horseshoe Ranch Wildlife Area – Building Improvements

**Funding Source:** Game and Fish Fund

**Need:** The Horseshoe Ranch Wildlife Area is surrounded by the 71,000-acre Aqua Fria National Monument. 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.

Eight of the exterior doors at Horseshoe Ranch are in need of replacement. In addition to degradation, as evidenced by issues such as leaking broken or missing seals, warped frames, cracked woodwork, broken thresholds, and missing or ineffective sweeps many of these doors were not properly installed. Four doors were installed backwards to compensate for frame slab layout. This configuration unfortunately allows water and pests to infiltrate the building. These issues cannot be resolved via repairs to the existing equipment.

The interior lights at Horseshoe Ranch are a mix of recessed 4-inch and 6-inch halogen lights at the main house and conventional incandescent lightbulbs in casitas, cookshack and bunkhouse structures. Significant efficiencies can be realized by upgrading these lights to LED technology, which is of additional benefit as Horseshoe Ranch's electrical needs are serviced by an onsite generator system.

Throughout the five buildings at the ranch, water is conveyed to each sink and toilet via ½ inch copper pipe, threaded valve and corrugated tubing. Several of the valves are blocked by sediment or stuck and leak when operated. Also, all of the toilet flush assemblies have worn seals and rusted fittings. Several either leak continuously or stay open when flushed, allowing excess water to pass through

**Project Description:** Implement priority renovations to doors, lights and plumbing.

**Impact of Not Approving this Request:** The Arizona Game and Fish Department 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 and a considerable cost savings in the operation of LED light would go unrealized.



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**Cost Estimate:** \$90,000





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**Project:** Horseshoe Ranch Wildlife Area – Generator Power System Renovation

**Funding Source:** Game and Fish Fund

**Need:** The Horseshoe Ranch Wildlife Area is surrounded by the 71,000-acre Aqua Fria National Monument, and is not connected to the electrical grid. As an “off grid” facility, the wildlife area has operated with both solar and propane generator power to meet its needs. An off grid power system such as the one used at Horseshoe Ranch should generate 90-95% of its power “passively” via solar panels charging battery storage, with “active” generator power utilized to make up the difference between. The solar and battery portion of the system was updated last year. The Generator was not and is in need of replacing to supply permanent power to the facility complex when the solar cannot provide needed power.

**Project Description:** Replace the existing generator system components with up to date technology.

**Impact of Not Approving this Request:** The Arizona Game and Fish Department is committed to operating like a business and utilizing revenues in a cost-effective manner, which includes preserving its administrative assets. Continuing in the current manner will compound energy costs beyond those of the project as proposed, and imposes additional wear on generators that could result in premature failures and more costly emergency repairs.

**Cost Estimate:** \$100,000



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**Project:** Robbins Butte Wildlife Area – Buildings Repair & Maintenance

**Funding Source:** Game and Fish Fund

**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 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.

**Project Description:** 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 bathroom. Improve electrical system layout to better utilize shop space.

**Impact of Not Approving this Request:** The Arizona Game and Fish Department 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 in implementing these solutions will result in increased costs due persistent damage. The shop facility will continue to fall below Department standards for a safe and efficient work environment, and the mobile home an inadequate living space for the area manager.

**Cost Estimate:** \$15,000



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**Project:** Robbins Butte Wildlife Area – Domestic Water Treatment

**Funding Source:** Game and Fish Fund

The Arizona Game and Fish Commission owns and operates the Robbins Butte Wildlife Area, West of Buckeye. This actively managed 1,680 acre wildlife area adjoins the Gila River corridor and features diverse habitats that draw large populations of resident and migratory wildlife to this area. Robbins Butte offers a variety of hunting opportunities including mule deer, javelina, dove, quail and rabbit. The largest youth opportunity is held on opening weekend in September and provides a mentored experience for youth hunters.

The Domestic water system does not meet current standards and delivers very hard water, creating an unhealthy environment for the site manager's family and for visitors. In addition, the hard water is quickly deteriorating the water fixtures and seals, necessitating constant repair of plumbing systems.

**Project Description:** Design and construct a new ADEQ approved water system.

**Impact of Not Approving this Request:** The Arizona Game and Fish Department is committed to providing a quality work environment for its employees, to the active management of habitat to conserve and protect Arizona's wildlife and to provide opportunities for safe, healthy outdoor recreation. Deferment of repairs is likely to result in an unacceptable health risk for the public and Department employees.

**Cost Estimate:** \$75,000



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**Project:** Mesa Regional Complex CCTV system

**Funding Source:** Game and Fish Fund

**Need:** The Arizona Game and Fish Department 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 the Department'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.

The Mesa Regional office complex CCTV is many years old and relies on an analog type system. The current system is limited in the number of cameras it can support, resulting in a lack of coverage in many areas. The current condition of the system hinders the utility of cameras for law enforcement response to criminal activity, onsite incidents, or accidents.

**Project Description:** Replace camera and recording system, update to digital format that provides better clarity and resolution. The new system shall be compatible with the Panasonic system that is the Arizona Game and Fish standard CCTV for uniformity and access from our 24/7 radio room operations.

**Impact of Not Approving this Request:** The Arizona Game and Fish Department is committed to providing a safe working environment for its employees, and a welcoming environment for the public and our customers. Deferral of this work will perpetuate a security vulnerability and hinder law enforcement actions as the security and safety of the complex can not be fully monitored at this time.

**Cost Estimate:** \$60,000



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**Project:** Bubbling Ponds Hatchery – Building repairs

**Funding Source:** Game and Fish Fund

**Need:** Bubbling Ponds Fish Hatchery resides on Commission-owned land approximately and is managed by the Department's Hatchery Program. This facility originally produced trout until 1980 when trout production was moved entirely to Page Springs Hatchery. Catfish production dominated for several years but was then phased into production of sunfish and bass. In addition several species of native fishes were cultivated. In the mid-1990's, the hatchery began raising razorback suckers under contract for the Bureau of Reclamation. Since this time the primary production at Bubbling Ponds Hatchery has consisted of razorback suckers and a few other native species as well as a limited number of warm water sport fish. The property also provides habitat for rare or declining species such as northern Mexican garter snake, Page spring snail, and a rare species of caddis fly. The Audubon Society identified the habitat at the hatcheries and the riparian area along lower Oak Creek as an Important Bird Area (IBA), which draws thousands of wildlife watching enthusiasts.

1. Lighting at Bass House: Existing light fixtures are old, damaged and inefficient. Replacement parts are difficult and expensive to acquire due to age. The Department proposes to upgrade all lighting in the structures to LED lights. Update fixtures at the Bass House which serves as storage room, office and houses several fish culture tanks.
2. Plumbing Issues at 2055 Page Springs Rd: Water is backing up into the bathroom when water is run in the laundry room. The cause of this issue is likely piping between these two rooms being incorrectly graded.

**Project Description:** Implement priority renovations including, light replacement and plumbing needs..

**Impact of Not Approving this Request:** The Arizona Game and Fish Department is committed to providing a quality work environment for its employees, and deferral of this work will perpetuate a poor working environment. Persistent water issues will lead to flood damage to the floor and walls and require costly repairs. The Department would also forgo a considerable cost savings in the operation of LED lights.



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**Cost Estimate:** \$40,000

**Project:** Sterling Springs Hatchery – Building Repairs

**Funding Source:** Game and Fish Fund

**Need:** Located between Sedona and Flagstaff on Highway 89, Sterling Springs Hatchery is comprised of 2 acres at the headwaters of Oak Creek. The property is owned by U.S. Forest Service (Coconino Forest), and has been operated by the Department's Hatchery Program since 1955 though the original facility dates to the 1930s. The hatchery was renovated by the Department in the 1970's to provide a multi-use raceway system and has recently been the subject of major renovations to modernize the facility.

Sterling Springs Hatchery has a single residence with separate garage and bunk house, a hatchery building, a storage shed, and several outdoor concrete raceways. The property is staffed by one full-time employee who resides on site, and one part-time employee, both are responsible for day-to-day operation and maintenance of the site.

The primary purpose of the Sterling Springs Hatchery is to supply approximately 1.3 million fingerling trout to Page Springs Hatchery where they are then raised to catchable size for stocking at lakes and streams statewide, though some of the trout fingerlings reared by Sterling Springs Hatchery are stocked directly into select waters.

1. Hatchery Building Insulation: Insulation is coming down inside the hatchery building and needs to be replaced and securely installed. Fiberglass, debris and dust from the insulation are falling into the raceways causing biosecurity issues, increasing the risk of fish diseases and mortality. Replacing the insulation will ensure fiberglass does not get in the fish tanks jeopardizing the health of the fry as well as ensure employees aren't exposed to it.
2. Replace flooring/stair tread: In some areas the flooring is coming apart causing potential trip hazards to house residents. Snow and ice build up causes leaks in the building stairwell creating a slip and fall hazard for employees in addition to causing structural damage.
3. Flooring in Residence: Tile flooring has come loose in several areas due to the structure flexing. The loose floor presents trip hazards for residents.



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**Project Description:** Implement priority renovations including insulation, floors and stair needs. Replace tread, install gutters and heat tape to the outside roof and stairway area to prevent leakage into building. Replace or repair tile flooring.

**Impact of Not Approving this Request:** The Arizona Game and Fish Department is committed to providing a safe working environment for its employees. Stated issues present significant safety hazards to the employees responsible for facility operations. Deferral of this work will increase the potential for injury with ice buildup on the outside stairway and cracks on the inside flooring. The likelihood of costly damage to the structure resulting from a deferral of addressing expected buildup of snow and ice is significant.

**Cost Estimate:** \$70,000



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**Project:** Tonto Creek Hatchery – Building Repairs

**Funding Source:** Game and Fish Fund

**Need:** The Tonto Creek Hatchery property is owned by the U.S. Forest Service (Tonto Forest), and operated by the Arizona Game and Fish Department's Hatchery Program. The facility was originally constructed in 1937 and underwent major renovation in 1993 that converted the facility to its current use with 12 covered raceways and a show pond. The property includes 4 residences, a hatchery shop/garage, a large office building which contains a small visitor center with public restrooms as well as indoor tanks, and several smaller structures for operational use. The property is staffed by four full-time employees who reside on site and are responsible for day-to-day operations and maintenance of the site. The average production of the hatchery is 50,000 lbs. of trout which represents 15% of all the trout stocked in Arizona. These fish represent an economic contribution of approximately \$72.7 million annually to the economy of the state.

1. Window replacement: New windows to replace original windows on all houses and bunkhouse to improve energy efficiency and reduce propane consumption
2. Deck replacement: Replace existing deck at the hatchery manager's residence is rotting and degraded; this deck provides safe cover for ingress and egress to house during periods of high snowfall.
3. Repair and Replace all facility doors and locks: Multiple doors are broken and not all facility doors are keyed to same lock, replace all damaged doors and all locksets/handles

**Project Description:** Implement priority renovations including windows, lock, and deck replacement as needed.

**Impact of Not Approving this Request:** The Arizona Game and Fish Department is committed to providing a quality work environment for its employees, and proper stewardship of state resources deferral of this work will perpetuate a working environment that does not meet Department standards. Further degradation of necessary improvements could pose a safety risk. Finally, efficiency in energy consumption achievable with modern window fixtures will go unrealized.

**Cost Estimate:** \$75,000





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**Project:** Ben Avery Shooting Facility – Practical Pistol Building improvements

**Funding Source:** Game and Fish Fund

**Need:** The practical pistol building is one of the most commonly utilized buildings on the facility, serving a range that has thousands of shooters accessing it annually. This building houses the restroom for the five practical pistol bays and pistol silhouette range, provides a classroom for instructors, and serves as a stat house for weekly and monthly matches. Due to the age of the structure and damage resulting from a prior water leak, the drywall between the restroom is in serious need of repair. Restrooms are not ADA compliant and need new faucets and toilets as well as painting is also necessary. Finally, the structure's roof is in need of repair.

**Project Description:** Implement priority renovations as needed. Update restroom facility to meet ADA standards.

**Impact of Not Approving this Request:** The Arizona Game and Fish Department is committed to providing a safe working environment for its employees, and a welcoming environment for the public and our customers. Deferral of this work will result in more expensive repairs becoming necessary, including a potential roof replacement which can be avoided at this time. In addition, customers and staff requiring ADA accommodations will be unable to utilize the facilities with comfort and dignity.

**Cost Estimate:** \$75,000



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**Project:** Arizona Game and Fish Department ADA accessibility (statewide)

**Funding Source:** Game and Fish Fund

**Need:** The Department 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.

The Department of Justice's 2010 ADA Standards for Accessible Design became effective March 15<sup>th</sup>, 2012 and apply to all facilities covered by the Americans with Disabilities Act, except public transit facilities. This includes state and local government facilities subject to title II and places of public accommodation and commercial facilities under title III.

As implemented under title II, the 2010 Standards consist of the regulatory provisions in 28 CFR §35.151 and appropriate sections of the Access Board's 2004 ADA Accessibility Guidelines (36 CFR part 1191, appendices B and D).

For title III of the ADA, the 2010 Standards consist of both the regulatory provisions in 28 CFR part 36, subpart D, and appropriate sections of the Access Board's 2004 ADA Accessibility Guidelines (36 CFR part 1191, appendices B and D).

DOJ's 2010 Standards include provisions not included in DOT's standards that supplement or modify requirements related to scoping for:

- assembly areas (§221)
- medical care facilities (§223)
- transient lodging, including housing at places of education (§224)
- detention and correctional facilities (§232)
- social service establishments (§233)
- housing provided by state or local governments for sale to individual owners (§233).

**Project Description:** Funds will be utilized to implement surveys, a transition plan, and to address corrections as they are identified and prioritized. This is an ongoing process and will be revisited annually through the Department's Building Renewal plan.



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**Impact of Not Approving this Request:** The Arizona Game and Fish Department is committed to providing a safe working environment for its employees, and a welcoming environment for the public and our customers. The Department is out of compliance with Federal and State laws in several locations, and is prioritizing this work in order to ensure that our staff and customers are properly accommodated in all Department buildings.

**Cost Estimate:** \$55,000



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**Project:** State Headquarters – Major Maintenance Fund

**Funding Source:** Game and Fish Fund

**Need:** As part of the lease purchase agreement for the Arizona Game and Fish Department Headquarters facility, the Department 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:** \$52,230



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**Project:** Arizona Game and Fish Department Building Renewal Emergency Allocation

**Funding Source:** Game and Fish Fund

**Need:** The Department 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 the Department 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. 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, the Department requires the fiscal agility to remedy events in an expeditious manner. Accordingly, the Arizona Game and Fish Department is requesting the following:

**Project Description:** 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 Department'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



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- 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



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**Project:** Arizona Game and Fish Department Preventive Maintenance

**Funding Source:** Game and Fish Fund

**Need:** Pursuant to A.R.S. 41-793.01, the Arizona Game and Fish Department 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:** \$97,072



<b>FY22 Building Renewal Expenditure Plan</b>	
<b>Project</b>	<b>Cost Estimate</b>
Pinetop Regional Complex propane tank relocation	\$15,000
Pinetop Old Hatchery Building	\$85,000
Ryan property roof replacement	\$99,000
Yuma regional complex CCTV system	\$55,000
Yuma Regional Complex vehicle gate	\$15,000
Yuma Regional Complex light replacement to LED	\$35,000
Tucson Regional Complex light replacement to LED	\$35,000
Horseshoe Ranch Wildlife Area – building improvements	\$35,000
Horseshoe Ranch Wildlife Area – Generator Power System Renovation	\$100,000
Robbins Butte Wildlife Area – Buildings repair & maintenance	\$35,000
Robbins Butte Wildlife Area – Domestic Water Treatment	\$75,000
Mesa regional complex CCTV system	\$65,000
Bubbling Ponds Hatchery – Building repairs	\$40,000
Sterling Springs Hatchery – Building repairs	\$70,000
Tonto Creek Hatchery – Building repairs	\$75,000
Ben Avery Shooting Facility – Practical Pistol Building improvements	\$75,000
Arizona Game and Fish Department ADA accessibility (statewide)	\$55,000
State Headquarters – Major Maintenance Fund	\$52,230
Building Renewal Emergency Allocation	\$75,000
Arizona Game and Fish Department Preventive Maintenance	\$97,072
<b>TOTAL:</b>	<b>\$1,213,302</b>

Arizona Game and Fish Department Building Renewal Expenditure Plan - Fiscal Year 2021





# Arizona Game and Fish Department Building Renewal Fiscal Year 2020 & 2021 Status & Reallocation Plan



<b>FY2021 Building Renewal Reallocation Plan</b>	
<b>Project</b>	<b>Cost Estimate</b>
Page Springs Hatchery Buildings Maintenance	\$150,000
Page Springs Hatchery Domestic Water system Improvements	\$20,000
<b>TOTAL:</b>	<b>\$170,000</b>

### Reallocation Request for Fiscal Year 2021 Building Renewal Funds

**Project:** Page Springs Hatchery Buildings Maintenance

**Need:** Due to the remote nature of this site, Department Staff responsible for the care, integrity and operation of the Page Springs hatchery reside in hatchery associated residential structures with their families.

1. **Install Arsenic Point-of-Use Filters in residential Structures:** As of 2001, the safe level for arsenic in drinking water is 10 ppb. Well water throughout the state, including that available at Department hatcheries varies widely with Page Springs in excess of this limit. Point-of-Use arsenic filters have been installed in the Page Springs office and at four residences associated with the nearby Bubbling Ponds hatchery. Installation of similar filters at the Page Springs residential structures will allow the residents to safely utilize the water in their homes for drinking and cooking purposes.
  
2. **Replace all fire alarms (Page Springs and Bubbling Ponds sites):** A number of smoke detectors and carbon monoxide detectors in all structures at Page Springs Hatchery and the associated Bubbling Ponds Hatchery are aged 10 years or older. The Department proposes to replace all such units, in order to protect residents and to meet standards set by the state fire marshal.
  
3. **Replace or Upgrade HVAC Units at four residences:** The heating systems at 1550, 1590, 1950 and 1990 Page Springs Rd the noted residences rely on a heat pump. Heat pumps lose efficiency in environments below approximately 40 degrees fahrenheit and fail to operate effectively once outside temperatures approach freezing. Both failure modes result in the unit running constantly, utilizing electricity while failing to provide heat. Additionally, all units were

## Arizona Game and Fish Department Building Renewal Status & Reallocation Plan Fiscal Years 2020 and 2021

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installed in the same year and are showing signs of failure with increasing need for repairs in the last two years. Replacement of these inadequate heat pump units will ensure that employees do not have to relocate due to failure of the design to function in cold temperatures, or an incipient failure due to increased use during hotter months.

4. **Drainage at two residences:** French drains were installed in the driveway of residences at 1670 and 1700 Page Springs Rd approximately 23 years ago. These drains are failing and water is pooling in both driveways, posing a number of hazards including undermining the concrete driveway and potentially damaging structures, a slip and fall risk, and increased exposure to West Nile Virus (which has been noted in the area) through mosquito attraction. The Department proposes replacement of these failing drains.
5. **Repair Concrete and Replace Garage Door at One Residence:** The concrete under the garage door at 1700 Page Springs Rd has cracked and domed, resulting in damage to the garage door, improper operation and rodent penetration at the site of damage. Replacement of the french drain, as described in the previous item, along with leveling of the concrete at this residence should eliminate the locus of rodent penetration, prevent rising and avoid such damage in the future.
6. **Lighting in Office and Visitor Center:** Lighting at Page Springs has been upgraded in the shop and parking garage. Current lighting in the office and visitor center however dates to renovations made in 1991 and is in need of replacement to provide consistency and proper working conditions.
7. **Install Metal Roofs on Garages at Two Residences:** Metal roofs provide improved fire barriers in wildland conditions and longer service life versus traditional roofing. Previous renovations upgraded roofs at the site with the exception of garages at 1550 and 1590 Page Springs Rd. The Department now proposes to upgrade the garage roofs at these two residences for consistency and safety.

**Solution:** Implement priority renovations as described

**Cost Estimate:** \$150,000

**Impact of Not Approving this Request:** The Arizona Game and Fish Department is committed to providing a safe working environment for its employees and preserving its administrative assets. Deferral of this work will impose an increasing safety issue for Department staff. To defer this work could result in loss of occupancy, further degradation and more costly repairs to the structure.

## Arizona Game and Fish Department Building Renewal Status & Reallocation Plan Fiscal Years 2020 and 2021

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### Reallocation Request for Fiscal Year 2021 Building Renewal Funds

**Project:** Page Springs Hatchery Domestic Water System Improvements

**Need:** The domestic water system at Page Springs Hatchery is a centrally located system that supplies the administrative offices, the visitor center, and the five residences on site. This system has a large central holding tank that is connected to pumps with smaller pressure tanks that supply the water to individual facilities. The water system is dependent on electricity and requires a manual restart after loss of power. The current system also renders water that is not of the best quality possible; additional water treatment mechanisms can be added to improve water quality.

**Solution:** Implement priority renovations, as needed.

**Cost Estimate:** \$20,000

**Impact of Not Approving this Request:** The Arizona Game and Fish Department is committed to providing a quality work environment for its employees, to the active management of habitat to conserve and protect Arizona's wildlife and to provide opportunities for safe, healthy outdoor recreation. Deferment of repairs is likely to result in an unacceptable health risk for the public and Department employees.





STATE OF ARIZONA

## Joint Committee on Capital Review

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BEN TOMA

DATE: July 8, 2021

TO: Members of the Joint Committee on Capital Review

FROM: Geoffrey Paulsen, Senior Fiscal Analyst

SUBJECT: Arizona Department of Corrections - Review of FY 2022 Capital Projects

### Request

A.R.S. § 41-1252 requires Committee review of expenditure plans for building renewal monies. The Arizona Department of Corrections (ADC) is requesting the Committee review its FY 2022 Building Renewal Allocation Plan. The FY 2022 Capital Outlay Bill appropriated a total of \$28,070,100 to ADC for general building renewal. The expenditure plan includes a total of 41 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 Eyman fire and life safety projects. The FY 2022 Capital Outlay Bill appropriated a total of \$25,564,400 to ADC for this purpose.

ADC is also requesting the Committee review its plan to relocate Arizona Correctional Industries (ACI) facilities from the Florence prison to other state prisons at a cost of \$33,300,000. ADC plans to utilize non-appropriated monies 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 2022 budget appropriated \$28.1 million for ADC building renewal. The ADC proposal includes:
  - a. \$18.7 million for security projects.
  - b. \$4.7 million for plumbing, HVAC and water projects.
- 2) The FY 2022 budget included \$25.6 million in total funds for fire and life safety upgrades at the Eyman prison.
- 3) As part of the Florence prison closure, ADC plans to use non-appropriated funds to relocate 6 Arizona Correctional Industries (ACI) facilities to other state prisons at a total cost of \$33.3 million.

### Analysis

#### FY 2022 Building Renewal

The FY 2022 Capital Outlay Bill appropriated \$28.1 million to ADC for general building renewal. Of this amount, \$22.2 million was appropriated from the General Fund and \$5.9 million was appropriated from the Department of Corrections Building Renewal Fund.

The FY 2022 Building Renewal Plan displayed in *Table 1* includes monies for the following projects:

- *Security Projects*
  - \$6.0 million to upgrade perimeter fencing at the following prisons: Tucson, Lewis, Yuma, Perryville, Winslow, Safford, Douglas, Phoenix and Eyman.
  - \$2.8 million to upgrade the door locking systems in the Cimarron Unit at the Tucson prison.
  - \$2.8 million to upgrade door locking systems in the Kaibab Unit in the Winslow prison.
  - \$2.0 million to upgrade the fire alarm system at the Safford prison.
  - \$1.5 million for security upgrades needed to convert the Eagle Point Unit at the Lewis prison to medium custody. Upgrades will be made to doors, locking systems and to the yard and perimeter fences.
  - \$1.5 million to upgrade locking control systems at the Perryville prison.
  - \$695,000 to upgrade the electronic perimeter security system for the entire Perryville prison complex.
  - \$375,000 to upgrade the electronic door control systems in the Mohave Unit at the Douglas prison.
  - \$315,000 to upgrade non-lethal fences at the following prisons: Eyman, Tucson and Yuma.
  - \$230,000 to upgrade the electronic perimeter security system in the Manzanita Unit at the Tucson prison.
  - \$195,000 to upgrade the door control system in the Stiner Unit at the Lewis prison.
  - \$169,000 to upgrade the security lighting in the Gila Unit at the Douglas prison to energy efficient LEDs.
  - \$141,000 to replace the perimeter alarm system in the Winchester Unit at the Tucson prison.
- *Plumbing, HVAC and water projects*
  - \$808,000 to replace plumbing chase walls in the Rynning Unit at the Eyman prison. A chase is a false wall that is used to conceal plumbing.
  - \$725,000 to upgrade the main freezers at the Lewis, Tucson, Yuma, Eyman and Perryville prisons.

(Continued)

- \$650,000 to upgrade showers in the Lumley, Santa Maria, Santa Cruz and San Pedro Units at the Perryville prison.
  - \$525,000 to repair a well at the Lewis prison.
  - \$480,000 to replace ductwork in the Stiner Unit at the Lewis prison.
  - \$430,000 to expand and upgrade the sewage grinder lift station at the Perryville prison. ADC reports the existing system was installed 31 years ago for a much smaller daily flow than is currently needed.
  - \$380,000 to replace ductwork in the Barchey Unit at the Lewis prison.
  - \$375,000 to modify water plant piping at the Lewis prison to increase water flow capacity.
  - \$225,000 to replace the bar screen in the wastewater lift station at the Douglas prison. The bar screen reduces the solid matter in the sewage stream to allow sewage to freely flow to the wastewater treatment plant.
  - \$125,000 to upgrade the wastewater treatment plant at the Kingman prison.
- *Pavement projects:* \$2.2 million for roadway and parking lot repairs at various prisons.
  - *Generator projects*
    - \$905,300 to purchase a backup emergency generator for the Correctional Officers Training Academy (COTA).
    - \$325,000 to replace the emergency generator in the Globe Unit at the Florence prison. The Globe Unit is a satellite unit located in Globe but operated by the Florence prison.
    - \$175,000 to replace the emergency generator in the Rincon Unit at the Tucson prison.
  - *Structural projects*
    - \$425,000 to complete repairs to the catwalks in several units at the Perryville prison. Catwalks are utilized by staff and inmates to access cells on the upper levels of the units.
    - \$275,000 to repair structural damage to the mezzanine in the Rynning Unit at the Eyman prison.
    - \$195,000 to repair structural issues in the Dakota Unit kitchen at the Yuma prison.
  - *Roof Replacement projects:* \$178,500 to repair or replace roofs on several dormitories in the Ft. Grant Unit at the Safford prison.

(Continued)

<b>Table 1</b>	
<b>FY 2022 Building Renewal Plan</b>	
<u>Security Projects</u>	
Perimeter fence upgrades - Tucson, Lewis, Yuma, Perryville, Winslow, Safford, Douglas, Phoenix and Eyman	\$ 5,975,000
Door locking systems - Tucson Cimarron Unit	2,819,700
Door locking systems - Winslow Kaibab Unit	2,819,500
Fire alarm system upgrade - Safford	1,970,000
Security level upgrades - Lewis Eagle Point Unit	1,500,000
Door locking systems - Perryville	1,473,000
Perimeter security system upgrade - Perryville	695,000
Electronic door control system upgrades - Douglas Mohave Unit	375,000
Non-lethal fence upgrades - Eyman, Tucson and Yuma	315,000
Perimeter security system upgrade - Tucson Manzanita Unit	230,000
Electronic door control system upgrade - Lewis Stiner Unit	195,000
Security lighting upgrade - Douglas Gila Unit	169,000
Perimeter alarm system replacement - Tucson Winchester Unit	<u>141,000</u>
<i>Subtotal</i>	<i>\$18,677,200</i>
<u>Plumbing, HVAC and Water Projects</u>	
Plumbing chase wall replacement - Eyman Rynning Unit	\$ 808,000
Freezer replacement - Lewis, Tucson, Yuma, Eyman and Perryville	725,000
Shower upgrade - 4 Units (Perryville)	650,000
Well repairs - Lewis	525,000
Ductwork replacement - Lewis Stiner Unit	480,000
Sewage grinder upgrade - Perryville	430,000
Ductwork replacement - Lewis Barchey Unit	380,000
Water plant piping modification - Lewis	375,000
Wastewater bar screen replacement - Douglas	225,000
Wastewater treatment plant upgrade - Kingman	<u>125,000</u>
<i>Subtotal</i>	<i>\$ 4,723,000</i>
<u>Pavement Projects</u>	
Roadway and parking lot repairs - statewide	\$ 2,191,100
<u>Generator Projects</u>	
Emergency Generators Purchase - COTA	\$ 905,300
Emergency Generator Replacement - Florence Globe Unit	325,000
Emergency Generator Replacement - Tucson Rincon Unit	<u>175,000</u>
<i>Subtotal</i>	<i>\$ 1,405,300</i>
<u>Structural Projects</u>	
Catwalk structural repairs - Perryville	\$ 425,000
Mezzanine structural repairs - Eyman Rynning Unit	275,000
Kitchen wall repairs - Yuma Dakota Unit	<u>195,000</u>
<i>Subtotal</i>	<i>\$ 895,000</i>
<u>Roof Replacement Projects</u>	
Dormitory roof repairs/replacements - Safford Ft. Grant Unit	\$ 178,500
<b>Building Renewal Total</b>	<b>\$28,070,100</b>

(Continued)



Eyman Fire and Life Safety

The FY 2022 Capital Outlay Bill appropriated a total of \$25.6 million to ADC in FY 2022 for fire and life safety projects at the Eyman prison, including \$10.0 million from the General Fund and \$15.6 million from other funds (see *Table 2* for list of fund sources).

	<b>Amount</b>
General Fund	\$10,000,000
Prison Construction and Operations Fund	10,000,000
Arizona Correctional Industries Revolving Fund	3,767,400
Inmate Store Proceeds Fund	1,349,200
Special Services Fund	447,800
<b>Total</b>	<b>\$25,564,400</b>

The expenditure plan displayed in *Table 3* includes monies for the following projects at the Eyman prison:

- \$15.8 million to upgrade the fire alarm and sprinkler systems for the entire complex. ADC reports that the existing system is more than 30 years old.
- \$6.6 million to upgrade the cell and shower doors in the Browning Unit. ADC plans to modify the existing sliding doors to a swinging door, similar to the system being installed at the Lewis and Yuma prisons.
- \$2.6 million to upgrade the cell and shower doors in the Special Management Unit I (SMU I).
- \$598,000 to repair 144 shower floors in the Browning Unit. ADC reports that the existing floors need to be stripped and re-sloped to facilitate better drainage. ADC also plans to repair rusted piping as part of this upgrade.

	<b>Amount</b>
Fire alarm and sprinkler system upgrade	\$15,786,400
Cell and shower door upgrade - Browning Unit	6,580,000
Cell and shower door upgrade - SMU I	2,600,000
Shower floor repairs - Browning Unit	598,000
<b>Total</b>	<b>\$25,564,400</b>

Florence ACI Facility Relocation

As part of the Florence prison closure, ADC plans to relocate existing ACI facilities at Florence to other state prisons. ADC is requesting Committee review of \$33.3 million in total funding to relocate and expand these facilities. The JLBC Staff understands that ADC will utilize federal Coronavirus Relief funding to offset other department expenditures in order to free up non-appropriated funds to complete this project.

ADC expects this funding to complete the following 6 projects:

- \$16.1 million to build a new ACI metal fabrication shop at the Eyman prison. ADC reports that Eyman has the necessary power infrastructure to support fabrication machinery. The new shop is expected to be 60,000 square feet.

(Continued)

- \$8.4 million to build a new ACI warehouse at the Eyman prison. ADC reports that the new warehouse will be 60,000 square feet.
- \$5.0 million to move the ACI wood shop to the Ft. Grant Unit at the Safford prison. ADC reports that the wood shop is 33,000 square feet.
- \$3.5 million to build a new ACI transportation hub and maintenance facility at the Eyman prison. ADC plans to locate this facility near the warehouse building to support the movement of raw materials and finished goods. ADC reports that the new facility would be 15,000 square feet.
- \$200,000 to move the ACI packaging and recycling facility. ADC has not determined where this facility will be located.
- \$100,000 to consolidate the ACI horse training facility with the other horse facilities near the Florence prison.

ADC has divided the project timeline into 4 phases and expects to be completed by December 2023. The 4 phases are as follows:

- Phase 1 (July 2021 - December 2021): planning, engineering, design, and facility architecture
- Phase 2 (January 2022 - June 2022): land preparation, utilities and foundation
- Phase 3 (July 2022 - June 2023): construction
- Phase 4 (July 2023 - December 2023): move equipment

Of the total plan, ADC expects to spend \$10.9 million in FY 2022, with the majority of the remaining expenditures occurring in FY 2023.

GP:lm



# Arizona Department of Corrections Rehabilitation & Reentry



DOUGLAS A. DUCEY  
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DAVID SHINN  
DIRECTOR

July 2, 2021

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



The Honorable Regina E. Cobb  
Vice-Chair, Joint Committee on Capital Review  
Arizona House of Representatives  
1716 West Adams  
Phoenix, Arizona 85007

Re: Submission for Review of FY 2022 Eyman Fire/Life Safety Projects and the Building Renewal Funding Plans

Dear Senator Gowan and Representative Cobb:

The Arizona Department of Corrections, Rehabilitation & Reentry (ADCRR) requests placement on the next meeting agenda of the Joint Committee on Capital Review (JCCR) to review the plans for the FY 2022 Eyman Fire/Life Safety Projects and Building Renewal Funding. The four attachments detail the projects that will be completed with the FY 2022 allocations.

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

Sincerely,

David Shinn (Jul 2, 2021 11:10 PDT)

David Shinn  
Director

Enclosures

cc: Matthew Gress, Director, Governor's Office of Strategic Planning and Budgeting  
Ryan Vergara, Budget Manager, Governor's Office of Strategic Planning and Budgeting  
Charlotte Hallett, Budget Analyst, Governor's Office of Strategic Planning and Budgeting  
Geoffrey Paulsen, Senior Fiscal Analyst, Joint Legislative Budget Committee

**Arizona Department of Correction, Rehabilitation & Reentry**  
**Eyman Life Safety and Security Building Renewal Projects**  
**FY 2022**

**Fire System Upgrades \$15,786,426**

The fire alarm and sprinkler systems at the Eyman complex are in need of an upgrade. These original systems installed 30 years ago have reached the end of their serviceable life and need to be upgraded. These fire systems are critical to staff and inmate safety and are required to be fully operational by the State Fire Marshal.

**SMU I Cell Door and Shower Door Upgrades \$2,600,000**

The sliding cell door system at the SMU I unit has reached the end of its serviceable life and is in need of replacement. ADCRR intends to replace the sliding door system with a much safer and more reliable swing door system similar to what is being installed at the Lewis and Yuma complexes currently.

**Browning Unit Cell and Shower Door Upgrades \$6,580,000**

The sliding cell door system at the Browning unit has reached the end of its serviceable life and is in need of replacement. ADCRR intends to replace the sliding door system with a much safer and more reliable swing door system similar to what is being installed at the Lewis and Yuma complexes currently.

**Eyman Browning Unit Shower Floor Repairs \$598,000**

The thirty year old shower floors at the Browning unit have reached the end of their serviceable life and are in need of replacement. The floors are a critical component of the showers in so far as proper drainage and a safe non-slip surface is concerned.

**Eyman Building Renewal Fire & Life Safety Projects**

<b>Priority</b>	<b>Location</b>	<b>Project Name</b>	<b>Project Description</b>	<b>Project Category</b>	<b>Funding Source</b>	<b>Total Costs</b>
1	Eyman	Fire System Upgrades	Upgrade fire systems complex wide	Fire & Life Safety	General	\$ 15,786,426
2	Eyman	Refurbish SMU Pod and Shower Doors	Upgrade to swing doors	Fire & Life Safety	General	\$ 2,600,000
3	Eyman	Refurbish Browning Cell and Shower Doors	Upgrade to swing doors	Fire & Life Safety	General	\$ 6,580,000
4	Eyman	Repair 144 Shower Floors In Browning Unit	Strip floors, reslope and repair rusted piping	Major Building Services	General	\$ 598,000
						<b>\$ 25,564,426</b>

## Arizona Department of Corrections, Rehabilitation & Reentry

### FY 2022 Building Renewal Plan

#### **Tucson Complex Perimeter Fencing Upgrades \$650,000**

The perimeter fencing at the Tucson prison complex is in need of upgrades. The original perimeter fencing is over 30 years old and portions have deteriorated to the point of needing replacement. The perimeter fence is critical in keeping inmates in custody as it is a physical barrier that prevents their escape.

#### **Lewis Complex Perimeter Fencing Upgrades \$675,000**

The perimeter fencing at the Lewis prison complex is in need of upgrades. The original perimeter fencing is over 21 years old and due to highly alkaline soil conditions portions have deteriorated to the point of needing replacement. The perimeter fence is critical in keeping inmates in custody as it is a physical barrier that prevents their escape.

#### **Yuma Perimeter Fencing Upgrades \$750,000**

The perimeter fencing at the Yuma prison complex is in need of upgrades. The original perimeter fencing is over 30 years old and portions have deteriorated to the point of needing replacement. The perimeter fence is critical in keeping inmates in custody as it is a physical barrier that prevents their escape.

#### **Perryville Perimeter Fencing Upgrades \$775,000**

The perimeter fencing at the Perryville prison complex is in need of upgrades. The original perimeter fencing is over 40 years old and portions have deteriorated to the point of needing replacement. The perimeter fence is critical in keeping inmates in custody as it is a physical barrier that prevents their escape.

#### **Winslow Complex Perimeter Fencing Upgrades \$650,000**

The perimeter fencing at the Winslow prison complex is in need of upgrades. The original perimeter fencing is over 30 years old and portions have deteriorated to the point of needing replacement. The perimeter fence is critical in keeping inmates in custody as it is a physical barrier that prevents their escape.

#### **Safford Complex Perimeter Fencing Upgrades \$650,000**

The perimeter fencing at the Safford prison complex is in need of upgrades. The original perimeter fencing is over 30 years old and portions have deteriorated to the point of needing replacement. The perimeter fence is critical in keeping inmates in custody as it is a physical barrier that prevents their escape.

#### **Douglas Perimeter Fencing Upgrades \$650,000**

The perimeter fencing at the Douglas prison complex is in need of upgrades. The original perimeter fencing is over 30 years old and portions have deteriorated to the point of needing replacement. The perimeter fence is critical in keeping inmates in custody as it is a physical barrier that prevents their escape.

#### **Phoenix Complex Perimeter Fencing Upgrades \$300,000**

The perimeter fencing at the Phoenix prison complex is in need of upgrades. The original perimeter fencing is over 30 years old and portions have deteriorated to the point of needing replacement. The perimeter fence is critical in keeping inmates in custody as it is a physical barrier that prevents their escape.

**Eyman Complex Upgrade Perimeter Fencing \$875,000**

The perimeter fencing at the Eyman prison complex is in need of upgrades. Portions of the original perimeter fencing is over 30 years old and has deteriorated to the point of needing replacement. The perimeter fence is critical in keeping inmates in custody as it is a physical barrier that prevents their escape.

**Eyman Complex Non-Lethal Fencing Upgrades \$185,000**

Three of the prison units at the Eyman complex have a non-lethal fencing system as part of their perimeter system. These non-lethal fencing systems are approaching the end of their serviceable life and are in need of replacement. These fences are part of the perimeter systems that prevents inmates from escaping from custody.

**Tucson Complex Non-Lethal Fencing Upgrades \$65,000**

The Tucson complex has a non-lethal fencing system as part of their perimeter system. The non-lethal fencing system is approaching the end of its serviceable life and is in need of replacement. The fence is part of the perimeter system that prevents inmates from escaping from custody.

**Yuma Complex Non-Lethal Fence Upgrade \$65,000**

The Yuma complex has a non-lethal fencing system as part of their perimeter system. The non-lethal fencing system is approaching the end of its serviceable life and is in need of replacement. The fence is part of the perimeter system that prevents inmates from escaping from custody.

**Tucson Manzanita Unit Perimeter Security System Upgrade \$230,000**

The electronic perimeter security system at the Manzanita unit has reached the end of its serviceable life and is in need of replacement. The system provides notification to staff if an inmate attempts to escape and is critical to maintaining a secure perimeter around the prison unit.

**Perryville Complex Perimeter Security Systems Upgrades \$695,000**

The electronic perimeter security system at the Perryville complex has reached the end of its serviceable life and is in need of replacement. The system provides notification to staff if an inmate attempts to escape and is critical to maintaining a secure perimeter around the prison.

**Tucson Complex Winchester Unit Perimeter Alarm Replacement \$141,000**

The perimeter electronic alarm system at the Winchester unit has reached the end of its serviceable life and is in need of replacement. This alarm is an integral part of the perimeter security system and is critical preventing inmates from escaping custody.

**Winslow Kaibab Door Locking Upgrades \$2,819,500**

The locking systems at the Kaibab unit have reached the end of their serviceable life and are in need of replacement. Due to the age of the locking system inmates have been in some cases been able to defeat the locks on their cell doors and leave their cells in some cases assaulting staff members or other inmates. It is critical that these locking systems be upgraded as soon as possible.

**Tucson Cimarron Unit Locking Upgrades \$2,819,652**

The locking systems at the Cimarron unit have reached the end of their serviceable life and are in need of replacement. Due to the age of the locking system inmates have been in some cases been able to defeat the locks on their cell doors and leave their cells in some cases assaulting staff members or other inmates. It is critical that these locking systems be upgraded as soon as possible.

**Lewis Stiner Unit Door Controls Upgrades \$195,000**

The door control system at the Stiner unit has reached the end of its serviceable life and is in need of replacement. The door control system is utilized to control inmate movement within the unit and a properly functioning door control system is critical to staff and inmate safety.

**Douglas Mohave Unit Door Control Upgrades \$375,000**

The electronic door control systems at the Mohave unit have reached the end of their serviceable life and are in need of replacement. These door controls are what is utilized to control inmate movement in and out of their cells and housing units and are critical to the safe operation of the unit.

**Douglas Gila Unit Security Lighting Upgrades \$169,000**

The security lighting at the Gila unit is in need of an upgrade. The original lighting fixtures which over 30 years old do not provide sufficient lighting levels to provide for inmate and staff safety. ADCRR proposes to install energy efficient LED lighting to provide light levels that provide the proper illumination for staff and inmate safety.

**Perryville Complex Locking Controls Upgrades \$1,473,000**

Locking control systems at the Perryville complex have reached the end of their serviceable life and are in need of replacement. The original locking control systems are 40 years old and have become unreliable. Locking controls are critical to keeping staff and inmates safe.

**Safford Complex Fire Alarm Upgrade \$1,970,000**

The fire alarm system at the Safford complex has reached the end of its serviceable life and is in need of an upgrade. The fire alarm system is a critical component of staff and inmate safety.

**Yuma Dakota Kitchen Structural Repairs \$195,000**

The Dakota unit has developed a structural issue that needs to be repaired. A large crack has appeared in the outer walls at the kitchen and a structural engineer is required to recommend a repair process. The issue needs to be addressed before it can become a bigger issue.

**Lewis Complex Well # 6 Repairs \$525,000**

Well number six at the Lewis complex has experienced an issue with well packing material being drawn into the water column and introduced into the water treatment plant which causes a filtration issue at the plant. The well casing and pump need to be modified to prevent future intrusion of well packing material. The well is critical to the water supply at the prison.

**Lewis Complex Water Plant Piping Modifications \$375,000**

The current water piping design at the Lewis prison is not adequate to keep up with the water demand need at the prison. The water plant piping needs to be modified to allow for a greater flow of water into the storage tanks at the water treatment plant while at the same time eliminate an air entrapment issue that is occurring at higher flow rates.

**Various Locations Freezer Upgrades \$725,000**

The main freezers at several prison complexes are in need of upgrades to their mechanical components. The freezers are over 20 years old and are operating with their original mechanical equipment. There have



been several incidents where emergency repairs have been required over the past several years to insure food is stored at a safe temperature. These upgrades are critical to food safety.

**Lewis Barchey Unit Ductwork Replacement \$380,000**

The ductwork at the Barchey unit has deteriorated to the point of failure and is in need of replacement. The existing ductwork is 21 years old and due to the use of evaporative coolers has rusted and deteriorated to the point of failure.

**Lewis Stiner Unit Ductwork Replacement \$480,000**

The ductwork at the Stiner unit has deteriorated to the point of failure and is in need of replacement. The existing ductwork is 21 years old and due to the use of evaporative coolers has rusted and deteriorated to the point of failure.

**Perryville Complex Catwalk Repairs Completion \$425,000**

Engineering assessment and design for repairs has been completed to repair the failing catwalks at several prison units at the Perryville complex. The catwalks are how staff and inmates access the upper level cells in the housing units and due to exposure to the elements for 40 years they have deteriorated to the point of needed to be upgraded to keep staff and inmates safe.

**Eyman Complex Plumbing Chase Wall Repairs \$808,000**

Several units at the Eyman complex have steel plumbing chase walls that are in need of replacement. The plumbing chase walls are part of the cell security system and have deteriorated over the 30 + years that they have been in service to the point of replacement being required. Failure to replace these walls in a timely manner will put staff and inmates at risk.

**Eyman Rynning Unit Mezzanine Repairs \$275,000**

Areas of the mezzanine at the Rynning unit are showing signs of structural failures and need to be repaired to prevent additional structural damage and possible staff or inmate injury. These mezzanines are 30+ years old and due to the excessive moisture from the evaporative cooling system they have deteriorated to the point of developing structural issues.

**Globe Unit Emergency Generator Replacement \$325,000**

The emergency generator at the Globe unit has reached the end of its serviceable life and is in need of replacement. The emergency generator provides emergency power in the event of a power failure and is critical to staff and inmate safety.

**Tucson Rincon Unit Generator Replacement \$175,000**

The emergency generator at the Rincon unit has reached the end of its serviceable life and is in need of replacement. The generator is critical to the safe operation of the prison unit in the event of a power failure.

**Safford FT. Grant Unit Roof Upgrades \$178,500**

Several of the dormitory roofs at the Ft. Grant unit are in need of major repairs or replacements. The existing roofs are allowing water penetration which is ruining interior finishes and staff and inmate property.

**COTA Emergency Generator \$905,348**

The Correctional Officers Training Academy does not currently have an emergency backup generator. In the event of power failures the training academy has to cease operations until power can be restored and since cadets are housed at COTA during training, find alternate housing for cadets. This effects the department's ability to fill vacancy officer positions in a timely manner. ADCRR wishes to install an emergency generator to support training operations and to provide a safe environment for cadets residing on campus.

**Perryville Complex Shower Upgrades \$650,000**

The showers at the Perryville prison have reached the end of their serviceable life and are in need of an upgrade. The original showers installed 40 years ago have developed drainage, water control and concrete cracking issues that need to be repaired to keep the showers operational for inmates.

**Douglas Complex Waste Water Bar Screen \$225,000**

The existing bar screen at the waste water lift station has reached the end of its serviceable life and is need of replacement. The bar screen reduces the solid matter in the sewage stream and allows the sewage from the prison to flow freely to the waste water treatment plant 11 miles away.

**Perryville Complex Sewage Grinder Station Upgrade \$430,000**

The sewage grinder station at the Perryville complex is in need of expansion and upgrades. The original grinder lift station was designed and installed 31 years ago for a much smaller daily sewer flow than the complex currently delivers. The upgrade is needed to insure an un-obstructed flow of waste water to the City sewer lines.

**Lewis Complex Eagle Point Unit Conversion to Medium Custody \$1,500,000**

Security upgrades are needed to convert the Eagle Point unit to medium custody. Enhancements to door locking systems, recreation yard fencing as well as perimeter fencing and perimeter security electronics systems are required to meet Medium custody security standards.

**Kingman Waste Water Treatment Plant Upgrades \$125,000**

The 15 year old waste water treatment plant at the Kingman prison is in need of some upgrades. Several of the water valves and controls have reached the end of their serviceable life and need to be replaced in order for the plant to operate properly.

**Various Locations Roadway Repairs \$2,191,100**

At all prison locations across the state roadway repairs are required, The roadways have deteriorated to the point in some cases being unsafe to walk on due to trip hazards and cause wear and tear and damage to state vehicles. ADCRR will repair roadways and critical parking areas across the state as part of this project.

Projects for \$28,070,100 in Funding					
Priority	Location	Project Name	Project Description	Project Category	Total Costs
1	Tucson	Perimeter fencing upgrades	Upgrade perimeter fencing systems	Fire & Life Safety	\$ 650,000
2	Lewis	Perimeter Fencing Upgrades	Upgrade / Replace deteriorated perimeter fences	Fire & Life Safety	\$ 675,000
3	Yuma	Perimeter Fencing Upgrades	Upgrade perimeter fencing systems	Fire & Life Safety	\$ 750,000
4	Perryville	Perimeter fencing upgrades	Upgrade perimeter fencing systems	Fire & Life Safety	\$ 775,000
5	Winslow	Perimeter fencing upgrades	Upgrade perimeter fencing systems	Fire & Life Safety	\$ 650,000
6	Safford	Perimeter fencing upgrades	Upgrade perimeter fencing systems	Fire & Life Safety	\$ 650,000
7	Douglas	Perimeter fencing upgrades	Upgrade failing fence systems	Fire & Life Safety	\$ 650,000
8	Phoenix	Perimeter fencing upgrades	Upgrade perimeter fencing systems	Fire & Life Safety	\$ 300,000
9	Eyman	Upgrade perimeter fencing	Upgrade perimeter fencing	Fire & Life Safety	\$ 875,000
10	Eyman	Non-lethal fence upgrades	Upgrade Non-Lethal fences	Fire & Life Safety	\$ 185,000
11	Tucson	Non-lethal fence upgrades	Upgrade Non-Lethal fences	Fire & Life Safety	\$ 65,000
12	Yuma	Non-lethal fence upgrades	Upgrade Non-Lethal fences	Fire & Life Safety	\$ 65,000
13	Tucson	Manzanita unit perimeter system upgrade	Upgrade perimeter security system	Fire & Life Safety	\$ 230,000
14	Perryville	Perimeter Security Upgrades	Upgrade perimeter security systems complex wide	Fire & Life Safety	\$ 695,000
15	Tucson	Winchester Unit Perimeter Alarm Replacement	Replace Perimeter Alarm System	Fire & Life Safety	\$ 141,000
16	Winslow	Kaibab Unit Locking System Upgrades	Upgrade failing locking system	Fire & Life Safety	\$ 2,819,500
17	Tucson	Cimmaron Unit Locking System Upgrades	Upgrade failing locking system	Fire & Life Safety	\$ 2,819,652
18	Lewis	Stiner unit door control upgrades	Upgrade door control system	Fire & Life Safety	\$ 195,000
19	Douglas	Mohave Unit Door Control Upgrades	Upgrade door control system	Fire & Life Safety	\$ 375,000
20	Douglas	Gila Unit Security Lighting Upgrades	Upgrade current security lights to LED	Fire & Life Safety	\$ 169,000
21	Perryville	Locking Controls Upgrades	Upgrade locking controls at Lumley, San Pedro, Santa Cruz, Santa Maria	Fire & Life Safety	\$ 1,473,000
22	Safford	Fire Alarm System Replacement	Fire Alarm System Replacement	Fire & Life Safety	\$ 1,970,000
23	Yuma	Repair structural issues with kitchen wall dakota Unit	Repair structural issues with kitchen wall	Infrastructure and Site Work	\$ 195,000
24	Lewis	Well 6 Repairs	Repair well 6 and return to operational status	Infrastructure & Site Work	\$ 525,000
25	Lewis	Water plant piping modifications	Re-route water system piping at water plant	Infrastructure & Site Work	\$ 375,000
26	Various	Freezer Upgrades	Upgrade freezers at Lewis, Tucson, Yuma, Eyman, Perryville	Food Safety	\$ 725,000
27	Lewis	Barchey Ductwork Phase II	Replace failed ductwork	Infrastructure and Site Work	\$ 380,000
28	Lewis	Stiner Ductwork Phase II	Replace failed ductwork	Infrastructure and Site Work	\$ 480,000
29	Perryville	Repair Catwalks Continued	Repair Catwalks Continued	Infrastructure & Site Work	\$ 425,000
30	Eyman	Plumbing Chase Wall repairs Continued	Replace plumbing chases walls in all max units cells and Rynning Unit Phase II (668 cells)	Fire & Life Safety	\$ 808,000
31	Eyman	Rynning mezanine repairs	Repair structural issues	Infrastructure & Site Work	\$ 275,000
32	Globe	Replace Emergency Generator	Replace Emergency Generator	Infrastructure & Site Work	\$ 325,000
33	Tucson	Replace Rincon unit generator	Generator replacement	Fire & Life Safety	\$ 175,000
34	Safford	Ft Grant Roofing Upgrades	Replace failing roofs at doms	Infrastructure and Site Work	\$ 178,500
35	COTA	Install Generator	Install emergency generator	Fire & Life Safety	\$ 905,348
36	Perryville	Shower upgrades	Upgrade failing showers at Lumley, Santa Maria, Santa Cruz, San Pedro units	Infrastructure & Site Work	\$ 650,000
37	Douglas	Install bar screen at lift station	Install bar screen at lift station	Infrastructure and Site Work	\$ 225,000
38	Perryville	Install grinder at lift station	Install grinder at lift station	Infrastructure and Site Work	\$ 430,000
39	Lewis	Eagle Point Conversion to Medium Custody	Eagle Point Conversion to Medium Custody	Infrastructure and Site Work	\$ 1,500,000
40	Kingman	WWTP Upgrades	Waste water plant upgrades	Infrastructure & Site Work	\$ 125,000
41	Various	Roadway repairs	Statewide roadway repairs	Infrastructure & Site Work	\$ 2,191,100
					\$ 28,070,100

# Arizona Department of Corrections



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DOUGLAS A. DUCEY  
GOVERNOR

DAVID SHINN  
DIRECTOR

July 7, 2022

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

The Honorable Regina E. Cobb  
Vice-Chair, Joint Committee on Capital Review  
Arizona House of Representatives  
1716 West Adams  
Phoenix, Arizona 85007




Re: Submission for Review of Florence Deactivation: ACI Relocation Project Funding

Dear Senator Gowan and Representative Cobb:

The Arizona Department of Corrections, Rehabilitation & Reentry (ADCRR) requests placement on the next meeting agenda of the Joint Committee on Capital Review (JCCR) to review the plans for the Florence Deactivation: ACI Relocation Project Funding. The attachment details the projects that will be completed with the anticipated funding.

As always, if I can provide additional information please do not hesitate to contact me.

Sincerely,

  
David Shinn (Jul 7, 2021 12:32 PDT)

David Shinn  
Director

Enclosures

cc: Matthew Gress, Director, Governor's Office of Strategic Planning and Budgeting  
Ryan Vergara, Budget Manager, Governor's Office of Strategic Planning and Budgeting  
Charlotte Hallett, Budget Analyst, Governor's Office of Strategic Planning and Budgeting  
Geoffrey Paulsen, Senior Fiscal Analyst, Joint Legislative Budget Committee

**Arizona Department of Correction, Rehabilitation & Reentry**

**Florence Deactivation:**

**Arizona Correctional Industries Relocation Projects**

**FY 2022**

**Metal Fabrication Shop \$16,100,000**

60,000 sq ft - The Metal Fabrication Shop is currently located in the Industrial Yard located within the Florence South Unit. The plan is to move the shop to the Eyman complex because it will allow us to retain employees and our skilled workforce i.e. keep (relocate) the trained inmates with the business unit. In addition Eyman has an upgraded power infrastructure necessary to support the equipment.

**Wood Shop \$5,000,000**

33,000 sq ft - The Wood Shop is currently located in the Industrial Yard located within the Florence South Unit. The plan is to move the Wood Shop to the Ft. Grant unit at the Safford complex.

**Warehouse Building \$8,400,000**

60,000 sq ft – The Warehouse is currently located just to the east of the Florence East Unit. The plan is to move the Warehouse to Eyman to maintain operational efficiency with raw material and finished goods warehousing.

**Transportation Hub with Maintenance Facilities \$3,500,000**

15,000 sq ft - The Transportation Hub is currently located just to the east of the Florence East Unit. We will be moving transportation to be in close proximity to the Industrial yard and the warehouse to support the movement of raw materials and finished goods.

**Horse Training \$100,000**

The Horse Training facilities are currently located to the east of the Florence East Unit. Description. The training facilities will be consolidated within horse holding, across/down the street and not located on Florence complex.

**Packaging & Recycling \$200,000**

The Packaging and Recycling facilities are currently located just to the east of the Florence East Unit. The Department is still considering which location would best be suited for the relocation of these facilities. Since this relocation is smaller, ACI can relocate as needed at any time.

**Florence Deactivation: Arizona Correctional Industries Relocation Projects**

Priority	Location	Project Name	Project Description	Project Category	Funding Source	Total Cost
1	Florence	Metal Fabrication Shop	Build new Metal Fabrication Facility	ACI Relocation	Federal	\$ 16,100,000
2	Florence	Wood Shop	Relocate Wood Shop to Ft. Grant	ACI Relocation	Federal	\$ 5,000,000
3	Florence	Warehouse Building	Build new Warehouse Building	ACI Relocation	Federal	\$ 8,400,000
4	Florence	Transportation HUB w/Main. Facilities	Build new Transportation HUB	ACI Relocation	Federal	\$ 3,500,000
5	Florence	Horse Training	Relocate to alternate facility	ACI Relocation	Federal	\$ 100,000
6	Florence	Packaging & Recycling	Relocate to alternate facility	ACI Relocation	Federal	\$ 200,000
						<b>\$ 33,300,000</b>

Of the total estimated project cost, ACI Expects to be able to contribute \$6M to cover the Wood Shop relocation (\$5M) and \$1M to be applied to any of the other projects. The State is estimated to contribute \$27.3M in Federal funding for the ACI Relocation Projects

**ACI Relocation Timeline** (2.5 year timeline to align with Florence deactivation funding included in the FY 2022 budget)

\* July 2021 - Dec 2021; Engineering design and facility architecture, drawings and estimates

\* Jan 2022 - June 2022; Land preparation, utilities, and foundation

\* July 2022 - June 2023; Full Buildout (one-year)

\* July 2023 - Dec 2023; Load-in, equipment move, start-up

**Funding Need Estimate**

	FY 2022	FY 2023	FY 2024	Total
Percentage	40%	50%	10%	100%
Amount	\$10,920,000	\$13,650,000	\$2,730,000	\$27,300,000

Note: The Department estimates that \$10.9M will be sufficient to fund the engineering design, facility architecture, and allow the Department to sign contracts with various vendors to begin the relocation process.





STATE OF ARIZONA

## Joint Committee on Capital Review

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BEN TOMA

**DATE:** July 8, 2021

**TO:** Members of the Joint Committee on Capital Review

**FROM:** Nate Belcher, Fiscal Analyst

**SUBJECT:** Arizona Exposition and State Fair Board - Review of FY 2022 Capital Improvement Expenditures

### Request

A.R.S. § 41-1252 requires Committee review of expenditure plans for capital projects. The Arizona Exposition and State Fair (AESF) Board requests Committee review of the scope, purpose, and estimated cost of 10 capital projects with a total cost of \$1,720,000. The FY 2022 Capital Outlay Bill appropriated \$2,000,000 from the Arizona Exposition and State Fair Fund to the AESF Board for capital improvements.

### 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. AESF shall report to the JLBC Staff if the actual cost of any project included in the expenditure plan exceeds the estimated cost by more than 20%.
- B. If an emergency arises that is not addressed by the existing expenditure plan:
  1. AESF shall notify the Chairman and the JLBC Staff that they plan to spend less than \$500,000 on an emergency project. AESF can proceed without further action.
  2. The Chairman can allow AESF to move forward with an emergency project of greater than \$500,000 without Committee review.

(Continued)



An "emergency" project is defined as unforeseen, critical in nature, and of immediate time sensitivity.

- C. No monies from the FY 2018 (Laws 2017, Chapter 306), FY 2019 (Laws 2018, Chapter 277), or FY 2020 (Laws 2019, Chapter 264) capital appropriation may be spent on projects related to the 1938 WPA Civic Building without prior Committee review.
- D. On or before November 30, 2021 and May 31, 2022, the Arizona Exposition and State Fair Board shall report to the JLBC Staff on the status of all capital improvement projects and capital improvement expenditures, including prior projects reviewed by the Committee.

**Key Points**

- 1) The FY 2022 Capital Outlay Bill appropriated \$1.0 million to replace the fire alarm system at the Veterans' Memorial Coliseum Building and an additional \$1.0 million for other capital projects.
- 2) The State Fair is requesting review of \$1.7 million of their \$2.0 million FY 2022 capital funding.
- 3) Projects include \$810,000 to replace the fire alarm system at the Coliseum Building.
- 4) Of the \$1.0 million for other capital projects, the request included \$425,000 for lighting, asphalt repair, sewer line installation, and electrical work that will improve the ground and its uses.

**Analysis**

The FY 2022 Capital Outlay Bill included a total of \$2.0 million for capital improvement projects and required the AESF to seek JCCR review of their plans. Under statute, the AESF Board is charged with overseeing the fair and grounds. Due to technological difficulties, the AESF Board did not meet as scheduled on June 10th to discuss and potentially approve capital improvements as listed on their June Agenda. The agency submitted the following expenditure plan for the purposes of seeking legislative review, but they will not move forward with projects until receiving approval from the AESF Board.

As outlined in *Table 1*, AESF requests Committee review of the following 10 projects:

1. Coliseum Fire Alarm Replacement - Phase 3 - \$810,000

The fire alarm system in the Arizona Veterans' Memorial Coliseum building (Coliseum) is 25 years old. In February 2020, the JCCR Chairman approved an emergency review of \$50,000 for Phase 1 of the replacement of the fire alarm system in the Coliseum. The Committee favorably reviewed Phase 2 at its April 2020 meeting. Phases 1 and 2 made the system functional and compliant with current codes and standards. Phase 3 of the project involves replacing the fire sprinkler water risers, and upgrading hood and fire suppression systems. Arena lights will be connected to the emergency backup generator to allow egress lighting in the event of fire or power outage. The FY 2022 Capital Outlay Bill appropriated \$1.0 million for this purpose. The remaining \$190,000 from this appropriation would be available for future Coliseum fire alarm replacement costs.

2. Administrative Office HVAC Repairs -\$300,000

The primary chiller which supplies cooled air to the agency's administrative offices in the Coliseum building is beyond life expectancy and no longer operational. The smaller, secondary chiller is intended to be an auxiliary backup to the primary chiller but is currently functioning as the primary chiller. Funding would go towards replacing the primary chiller as well as all related thermostats and associated control equipment for the administrative offices.

(Continued)

3. Asphalt Repair - \$150,000

There are several areas around the state fairgrounds where the asphalt has deteriorated due to age and use. Removing the damaged sections of asphalt and related repairs will prevent future degradation to the asphalt pavement.

4. Sewer Line Installation - \$140,000

By installing new sewer lines on the east and west ends of the Employee Resources Building, AESF will be able to place additional food concessions stands in the area without the need for temporary wastewater management systems. The new sewer lines will connect to pre-existing sewer lines and also allow the agency to rent RV spaces in the area.

5. LED Upgrade of North Parking Lot Lights - \$120,000

The current lighting in the north lot's guest parking area provides insufficient light. Replacing the lighting in the north lot with energy-efficient LED lighting which will generate cost savings and provide sufficient light for guests, employees and security personnel.

6. Agriculture Center Fire Alarm - \$75,000

The 30-year-old fire alarm system in the Agriculture Center has begun to routinely register false alarms and is difficult to reset. This item was previously allocated funding from AESF's FY 2020 Capital Outlay appropriation, with the Committee reviewing \$100,000 at its April 2020 meeting. However, the project was not completed due to funding impacts as a result of COVID, and the FY 2020 appropriation will lapse on June 30, 2021. AESF requests \$75,000 from the FY 2022 appropriation to replace the alarm.

7. Backflow Preventer Installation - Phase 2 - \$60,000

The City of Phoenix has identified 21 freshwater lines on the state fairgrounds that require backflow preventers to protect the freshwater system. For Phase 1, there were 2 backflow preventers installed with an expenditure of \$70,000 reviewed by the Committee in June 2017. For Phase 2, AESF plans to install third backflow preventer on the east side of the property. New plumbing will be necessary to the location of the water main on the fairgrounds.

8. Fire Sprinkler Water Riser Replacement and Repair - \$35,000

Corrosion and other obstructions were recently discovered in the water piping of the Receiving Building on the state fairgrounds. The corrosion has damaged the water valve, inhibiting operation of the valve and creating excessive amounts of sludge inside. Additionally, the protective collar of the water valve of the fire sprinkler system at the Exhibit Building needs replacement.

9. Mechanic Shop Roll Up Door Replacement - \$15,000

The rollup door of the mechanic shop is beyond life expectancy and does not function properly.

10. Power Pedestal Replacement - \$15,000

The agency is seeking to eliminate 7 power pedestals on the east side of the fairgrounds by replacing the power pedestals with subterranean electrical connectors. The subterranean electrical connectors will be controlled with temporary power boxes to be installed based on the needs of the agency. This allows for greater flexibility in layout and spacing as the current power pedestals often restrict otherwise available space for events.

The expenditure plan represents AESF's estimated cost of the proposed projects based on contracted services and estimates for in-house construction when possible. AESF plans to use ADOA General Services to identify the most expedient and least costly processes to accomplish these projects, whether through bid, state contracts, or in-house labor.

(Continued)

<b><u>AESF Requested Project</u></b>	<b><u>Estimated Project Cost</u></b>
Coliseum Fire Alarm Replacement - Phase 3	\$810,000
Administrative Office HVAC Repairs	300,000
Asphalt Repair	150,000
Sewer Line Installation	140,000
LED Upgrade of North Parking Lot Lights	120,000
Agriculture Center Fire Alarm	75,000
Backflow Preventer Installation - Phase 2	60,000
Fire Sprinkler Water Riser Replacement	35,000
Mechanic Shop Roll Up Door Replacement	15,000
Power Pedestal Replacement	<u>15,000</u>
<b>TOTAL</b>	<b>\$1,720,000</b>

ML:kp



July 8, 2021

The Honorable David Gowan, Chairman  
Joint Committee on Capital Review (JCCR)  
Arizona House of Representatives  
1700 West Washington  
Phoenix, AZ 85007

Re: Request for Placement on Joint Committee of Capital Review Agenda

Dear Senator Gowan:

The Arizona Exposition and State Fair (AESF) respectfully requests a favorable review for several capital improvement projects from the FY 2022 Agency Capital Improvements Appropriation budget.

Please consider this request for expenditures in the amount of \$810,000 for the following capital improvements and building renewal projects from the FY 2022 appropriation for Coliseum Fire Alarm Replacement :

1. Coliseum Fire Protection Systems Phase 3 - \$810,000

Please consider this request for expenditures in the amount of \$910,000 for the following capital improvements and building renewal projects :

2. Agriculture Center Fire Alarm - \$75,000
3. Fire Sprinkler Water Riser Replacement and Repair - \$35,000
4. Backflow Preventer Installation Phase 2 - \$60,000
5. Administrative Office HVAC Repairs and Improvements - \$300,000
6. LED Upgrade of North Parking Lot Lights - \$120,000
7. Mechanic Shop Roll Up Door Replacement - \$15,000
8. Power Pedestal Replacement - \$15,000
9. Sewer Line Installation - \$140,000
10. Asphalt Repair - \$150,000



**1. Coliseum Fire Protection Systems Phase 3 - \$810,000**

*This is the third and final phase of the project initiated to bring the Coliseum fire suppression and warning system into compliance with the current code. Phase 1 and 2 were completed previously. Phase 3 of the project will include upgrades to the warning system as designed and approved in Phase 2 of the project, replacement of the fire sprinkler water risers, an upgrade of the hood and fire suppression system, and the connection of the arena lights to the emergency backup generator to allow adequate egress lighting in the case of fire or a power outage.*

*These items have been identified by the Office of the State Fire Marshal as necessary life safety defaults that require urgent attention.*

*The Agency requests a favorable review to allow for repairs and/or upgrades to the systems in the interest of life safety .*

**2. Agriculture Center Fire Alarm - \$75,000**

*The fire alarm in the Agriculture Center is beyond life expectancy. The alarm regularly reads false alarms and is becoming increasingly difficult to reset. The unit has begun to persistently malfunction during rain storms, resulting in the need to initiate a fire watch during events in order to allow occupancy of the building. As a result of staffing fire watch shifts, the Agency is realizing increased labor costs.*

*This item was previously approved for expenditure from the Agency's FY 2020 Capital Improvement Appropriation; however, the project was not completed due to funding impacts as a result of COVID.*

*The Agency requests a favorable review to allow for the replacement of the system in the interest of life safety and budget management.*

**3. Fire Sprinkler Water Riser Replacement and Repair - \$35,000**

*During a recent 5 year inspection of the fire sprinkler water risers in the Exhibit Building, it was concluded that although there was little corrosion found inside of check valves, corrosion was found on the back of the spool piece. In order to ensure proper operation of the fire sprinkler system, the replacement of the flange by the groove spool piece was recommended.*

*During the same inspection, corrosion and obstructions were found in the riser at the Receiving Building. There was an excessive amount of corrosion found on the OS&Y valve and the clapper inside of the riser check valve would not operate. In addition, an excessive amount of sludge was found inside the FDC check valve. Due to the overall condition and corrosion of the riser valves, replacement of the riser was recommended.*

*The Agency requests a favorable review for the repair and replacement of water risers in the interest of life safety.*



**4. Backflow Preventer Installation Phase 2 - \$60,000**

*There are 21 freshwater lines on the Fairgrounds property that the City of Phoenix has determined require backflow preventers to protect the freshwater system. The City has identified three, 6" main lines of great concern. The JCCR approved a Phase 1 installation of two backflow preventers on main lines in 2018. Phase 2 would include the installation of a third mainline backflow preventer on the east side of the property. Due to the location of the water main being in the middle of a major driveway, additional new plumbing is necessary as a part of the installation.*

*The Agency requests a favorable review for the installation of the new backflow preventer in the interest of public safety.*

**5. Administrative Office HVAC Repairs and Improvements - \$300,000**

*There are two chillers in the HVAC system that provide cooled air to the Agency administrative offices in the Coliseum. The main chiller is past life expectancy and is no longer operational. The second, smaller chiller is normally used to support the main chiller or as a backup in case of a failure of the main unit but is currently functioning as the primary chiller. With the main unit not functioning and irreparable, if the secondary unit were to fail, air conditioning supplied to the offices would fail. Additionally, the thermostats in the offices are outdated pneumatic controls that do not function properly and cannot be reasonably repaired. This results in the entire system running inefficiently and office temperatures being uncontrollable. In the warmer months, the offices regularly experience temperature fluctuations where temperatures have risen above 95 degrees or cooled to extreme lows below 70 degrees, whereby a potential fire hazard is created when Agency employees use space heaters to raise workspace temperature.*

*This project would replace the main chiller for the administrative offices and would upgrade the thermostats and associated control equipment to modern technology to allow for proper temperature control and automation to improve efficiencies. This project will ensure a safe environment for office personnel and will reduce fire hazards from the use of space heaters.*

*The Agency requests a favorable review for the replacement of the main chiller and upgrade of the control systems in the interest of employee safety.*

**6. LED Upgrade - North Parking Lot Lights - \$120,000**

*The light provided by the current lighting in the North Lot is not as bright as needed for guest parking in the area. This project will replace the current lights in the North Parking Lot with brighter, more energy-efficient LED lighting. This upgrade will also involve the installation of additional switches to create zones so that lights can be turned on only in necessary areas. As a result of the efficiency of the LED lights, the Agency expects to see significant cost savings. In addition, new LED lights will provide a safer environment for guests and employees traveling to their cars at night and will allow security personnel to see more clearly.*

*The Agency requests a favorable review for the replacement and upgrade of the North Lot lighting in the interest of public safety and cost savings.*



**7. Mechanic Shop Roll-Up Door Replacement - \$15,000**

*The rollup door of the mechanic shop is beyond life expectancy and does not function properly. The Agency has been advised that the door needs to be replaced in order to restore intended functionality and ensure safe operation of the door. The door is necessary for the shop to be used to maintain equipment.*

*The Agency requests a favorable review for the repair of the mechanic shop roll-up door in order to make the mechanic shop door both safe and operational.*

**8. Power Pedestal Replacement - \$15,000**

*There are seven power pedestals on the east side of the Avenue of the Flags. These pedestals are often obstructive for current and new event clients to use the space for their events. The power pedestals are also frequently struck by motorists, resulting in the need to rewire the electrical connectors and reset the damaged pedestal. This project would eliminate the pedestals by adding subterranean electrical connectors which will allow for temporary power boxes to be installed as needed and where needed. Installing subterranean electrical connectors will allow greater flexibility in layout and space usage for the Arizona State Fair and interim event promoters, as well as provide additional parking spaces that can be used to generate revenue.*

*The Agency requests a favorable review for the replacement of the power pedestals in the interest of public safety and potential revenue generation.*

**9. Sewer Line Installation - \$140,000**

*This project will install new sewer lines on the east and west sides of the ERC Building and will connect to pre-existing sewer lines. Installing new sewer lines will enable the Agency to place additional food concession stands in the respective area without the need for temporary and more labor-intensive wastewater management during events. The new sewer lines will reduce costs and alleviate environmental health concerns. Additionally, the new sewer lines will allow the Agency to rent RV spaces in the area and thus create additional revenue generation opportunities.*

*The Agency requests a favorable review for the installation of new sewer lines in the interest of environmental health concerns, budget savings, and additional revenue generation opportunities.*

**10. Asphalt Repair - \$150,000**

*Significant portions of the asphalt east of the ERC Building, west of the Coliseum, and around the Agriculture Building have deteriorated due to age and use. The damaged asphalt has several cracks and potholes that pose serious trip hazards. Removal of the damaged asphalt and repair will impede further degradation of the pavement and decrease the risk of trip injury hazards.*

*The Agency requests a favorable review for asphalt repairs in the interest of public safety.*



AESF will utilize ADOA General Services to identify the most expedient and fiscally responsible processes to accomplish these projects, whether through bid, state contracts, or in-house labor.

If you have any questions or require additional information concerning the requests, please contact me at 602-252-6771

Sincerely,

A handwritten signature in black ink, appearing to read "Wanell Costello".

Wanell Costello (Jul 8, 2021 12:57 PDT)

Wanell Costello  
Executive Director

CC: Representative Regina Cobb, Vice-Chairman, JCCR  
Richard Stavneak, Director, JLBC  
Matthew Gress, Director, OSPB  
Cameron Dodd, Budget Analyst, OSPB  
Micaela Larkin, Senior Fiscal Analyst, JLBC







STATE OF ARIZONA

# Joint Committee on Capital Review

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**DATE:** July 8, 2021  
**TO:** Members of the Joint Committee on Capital Review  
**FROM:** Rebecca Perrera, Principal Fiscal Analyst  
**SUBJECT:** Arizona Department of Administration - Consider Recommending FY 2021 Rent Exemption

## Request

A.R.S. § 41-792.01D 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 Arizona Commission of African American Affairs totaling \$8,100 in FY 2021.

## Committee Options

The Committee has at least the following 2 options:

1. The Committee recommends the FY 2021 full rent exemption of \$8,100 for the Arizona Commission of African American Affairs.
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 for of \$8,100 for the Arizona Commission of African American Affairs due to lack of financial resources to pay rent.

## Analysis

A.R.S. § 41-792.01D 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.

(Continued)

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 Arizona Commission of African American Affairs totaling \$8,100 in FY 2021. The Arizona Commission of African American Affairs lacks the financial resources to pay its COSF rent for FY 2021. The commission will continue to occupy its space at 1700 West Washington. As a result, there will be no corresponding rent off-set to COSF.

The FY 2022 Budget Procedures Reconciliation Bill (BRB), as session law, allows ADOA to approve FY 2022 rent exemptions without committee recommendation (the current request is for FY 2021). The BRB requires ADOA to report any rent exemptions to JLBC Staff.

RP:kp

## Linda Monsanto

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**From:** Rebecca Perrera  
**Sent:** Thursday, July 8, 2021 12:37 PM  
**To:** Linda Monsanto  
**Subject:** FW: FY 2021 COSF rent exemption; Arizona Commission for African American Affairs

**From:** Nola Barnes <nola.barnes@azdoa.gov>  
**Sent:** Wednesday, July 7, 2021 4:36 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>; Lisa Kautz <lisa.kautz@azdoa.gov>; Elizabeth Bartholomew <elizabeth.bartholomew@azdoa.gov>; Elizabeth Thorson <elizabeth.thorson@azdoa.gov>; Ray DiCiccio <ray.diciccio@azdoa.gov>  
**Subject:** FY 2021 COSF rent exemption; Arizona Commission for African American Affairs

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 whole exemption of FY 2021 COSF rent for the Arizona Commission for African American Affairs in the amount of \$8,100. The agency does not have the financial resources to pay its COSF rent for FY 2021.

Please let me know if you have any questions.

Nola

Nola Barnes  
Assistant Director | Arizona Department of Administration  
General Services Division  
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m: 602.361.1636 | [nola.barnes@azdoa.gov](mailto:nola.barnes@azdoa.gov)  
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