

STATE OF ARIZONA

Joint Committee on Capital Review

STATE
SENATE

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

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HOUSE OF
REPRESENTATIVES

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

MEETING NOTICE

DATE: August 10, 2000
TIME: 10:00 a.m.
PLACE: HOUSE HEARING ROOM 4

TENTATIVE AGENDA

- Call to Order
- [Approval of Minutes of June 22, 2000.](#)
- DIRECTOR'S REPORT (if necessary).
- 1. [ARIZONA DEPARTMENT OF TRANSPORTATION - Review of FY 2001 Building Renewal Allocation Plan.](#)
- 2. [ARIZONA DEPARTMENT OF TRANSPORTATION/DEPARTMENT OF PUBLIC SAFETY - Review of Scope, Purpose and Estimated Cost of Regional Transportation Center at Pioneer Park in Prescott.](#)
- 3. [ARIZONA DEPARTMENT OF ADMINISTRATION - Report on Active Office Lease Costs.](#)
- 4. [DEPARTMENT OF HEALTH SERVICES/ARIZONA DEPARTMENT OF ADMINISTRATION - Report on Arizona State Hospital Construction Project.](#)
- 5. [ARIZONA STATE PARKS - Report on Status of Development Projects at State Parks.](#)
- 6. [ARIZONA STATE UNIVERSITY - Report on Revised Cost for Residence Hall Bond Project.](#)

The Chairman reserves the right to set the order of the agenda.
8/3/00

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

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MINUTES OF THE MEETING JOINT COMMITTEE ON CAPITAL REVIEW

Thursday, June 22, 2000

The Chairman called the meeting to order at 8:05 a.m. Thursday, June 22, 2000, in House Hearing Room 4 and attendance was noted.

Members:	Representative Burns, Chairman Representative Cooley Representative Daniels Representative Johnson Representative Weason	Senator Gnant, Vice-Chairman Senator Arzberger Senator Bowers Senator Brown Senator Smith Senator Solomon Senator Wettaw
Absent:	Representative McLendon Representative Nichols	
Staff:	Richard Stavneak Lorenzo Martinez Gina Guarascio Rebecca Hecksel Indya Kincannon	Jan Belisle, Secretary Chris Earnest Brad Regens Bob Hull Lynne Smith
Others:	Bruce Ringwald, ADOA Greg Fahey, U of A Representative Flake, House David Brown, Apache County Terry Stewart, DOC Alan Ecker, DOC Dave Harris, ABOR Mernoy Harrison, ASU	David Wright, ADOT Blake Anderson, ASU Bill Greeney, OSPB Scott Smith, ADOA Elliott Hibbs, ADOA Leslie Schwalbe, DHS Steve Miller, ASU

APPROVAL OF MINUTES

Representative Burns asked for corrections or additions to the minutes of May 16, 2000. Hearing none, the minutes were approved as submitted.

DIRECTOR'S REPORT — Richard Stavneak, Director, JLBC Staff discussed the tentative dates for future JCCR meetings.

DEPARTMENT OF HEALTH SERVICES/ARIZONA DEPARTMENT OF ADMINISTRATION — Review of Expenditure Plans and Design Services at the Arizona State Hospital Construction Project.

Gina Guarascio, JLBC Staff gave a brief overview of the expenditure plans and design services for the Arizona State Hospital construction project.

Chairman Burns asked for questions or comments. There were none.

Senator Gnant moved that the Committee give a favorable review to the 1) expenditure plan for allocation of funds for infrastructure repairs; 2) procurement of design services for the Birch Hall renovation to accommodate the less restrictive alternative program for the Sexually Violent Persons (SVP) population, and 3) expenditure plan for Phase 3 of the SVP program using the Inmate Construction Program components of the Arizona State Hospital construction project, and that any transfers among the projects in excess of \$100,000 be reported to the JLBC Staff prior to expenditure. The motion carried.

ARIZONA DEPARTMENT OF ADMINISTRATION — Review of FY 2001 Building Renewal Allocation Plan.

Rebecca Hecksel, JLBC Staff presented the Arizona Department of Administration (ADOA) FY 2001 building renewal allocation plan of \$3,682,650.

Chairman Burns asked for questions or comments. There were none.

Senator Gnant moved that the Committee give a favorable review to the ADOA FY 2001 building renewal allocation plan of \$3,682,650, and funding for any new projects not listed in the allocation plan, reallocations between projects, and allocations from the Emergency Reserve/Ongoing Projects amount be reported to the JLBC Staff prior to expenditure. The motion carried.

Review of Risk Management Capital Construction Insurance Rates.

Lynne Smith, JLBC Staff presented the ADOA proposal to set the Risk Management capital construction insurance rate at 0% for FY 2001. ADOA will report back to the Committee if a charge is needed for FY 2002.

In response to Representative Cooley, Ms. Smith stated that this was a new fund created to cover the state liability on construction projects. The department set a rate that was reviewed by the Committee in November 1997 that was estimated to provide enough money to pay for an anticipated \$2,400,000 in lawsuits. The anticipated level of lawsuits has not been realized and the fund has a sufficient balance to cover the state liability. The department projects approximately \$187,000 in operating expenses. For liability over \$4,000,000, ADOA has purchased outside insurance.

Senator Gnant moved that the Committee give a favorable review to the Risk Management Capital Construction Insurance Rate of 0% for FY 2001 and that ADOA report back to the Committee if a charge is needed for FY 2002. The motion carried.

Review of Lease-to-Own Transaction for Capitol Mall Office Buildings.

Lynne Smith briefed the Committee on the terms of a proposed contract with a private firm as part of a lease-to-own transaction to design, build, and operate two state office buildings on the Capitol Mall.

Chairman Burns asked for questions or comments. There were none.

Senator Gnant moved that the Committee give a favorable review to the terms of the proposed lease-purchase transaction, with the following stipulations:

1. The contract include an escape clause for the "Maintenance Fund" and "Operations and Maintenance" services so that, if the state is unable to negotiate acceptable rates for these items at a future renewal date, it may provide or purchase these services separately.
2. The Executive deliver to the Committee no later than October 1, 2000 a consolidated report to address all of the proposed FY 2002 and FY 2003 budget changes associated with the opening of the 2 new office buildings. This report should also address "backfill" space, which will result when agencies leave existing office space to move into the new buildings. The report should include the following for each affected agency: the previous rent and fund source, new rent and fund source, previous square footage, and new square footage. In conjunction with this consolidated report, each affected agency should request its individual funding requirements in its FY 2002/FY 2003 budget request.
3. No agency's square footage shall increase as a result of the agency relocations. In the consolidated report, ADOA should report any exceptions to this policy to the Committee for advice and comment.
4. Agencies primarily funded from the General Fund be given priority for relocations out of private lease space. In the consolidated report, ADOA should report any exceptions to this policy to the Committee for advice and comment.

5. *ADOA submit a report to the JCCR on financing options for the phone systems for the new buildings and backfill space. The department is advised against a plan to acquire the entire phone system as part of a 25-year lease plan, given that the life cycle on a phone system is considerable less than the lease period.* The motion carried.

ARIZONA PIONEERS' HOME/ARIZONA DEPARTMENT OF ADMINISTRATION — Review of Scope, Purpose and Estimated Cost of Fire Escape.

Indya Kincannon, JLBC Staff gave an overview of the scope, purpose and estimated cost of the new fire escape at the Arizona Pioneers' Home in Prescott.

Chairman Burns asked for questions or comments. There were none.

Senator Gnant moved that the Committee give a favorable review to the scope, purpose, and estimated cost of the new fire escape at the Arizona Pioneers' Home in Prescott. The motion carried.

ARIZONA BOARD OF REGENTS/UNIVERSITIES — Review of Revised Multi-Year Bonding Plan for Northern Arizona University.

Lorenzo Martinez, JLBC Staff presented the revisions to the Multi-Year Bonding Plan for Northern Arizona University.

Chairman Burns asked for questions or comments. There were none.

Senator Gnant moved that the Committee give a favorable review to the revisions to the May 1997 Multi-Year Bonding Plan for Northern Arizona University. The motion carried.

Consider Approval of Arizona State University Infrastructure Improvements Bond Project.

Lorenzo Martinez presented the Arizona State University request for the Committee to approve the issuance of academic revenue bonds for 11 infrastructure improvement projects.

Chairman asked for questions or comments. There were none.

Senator Gnant moved that the Committee approve the request to issue \$17,700,000 in academic revenue bonds for 11 Arizona State University Infrastructure Improvement Projects, and that any changes to the cost estimates for each of the 11 projects exceeding \$100,000 be reported to the JLBC Staff prior to expenditure. The motion carried.

ARIZONA DEPARTMENT OF TRANSPORTATION — Review of FY 2001 Construction Budget Operating Expenditure Plan.

Bob Hull, JLBC Staff presented the Arizona Department of Transportation's (ADOT) FY 2001 Construction Budget Operating Expenditure Plan. Mr. Hull noted that there were a number of technical errors in the submitted material. The JLBC Staff is recommending that ADOT develop better performance measures for consulting services. The JLBC Staff will work with ADOT to develop better performance measures.

In reply to Representative Weason, Mr. Hull stated that if sound walls are built into the original construction plans, state highway fund monies could be used.

In answer to Representative Weason, Dick Wright, State Engineer, ADOT stated that they have a project management system in place to review projects and performance and are confident in the process and the system.

Senator Gnant moved that the Committee give a favorable review to the revised FY 2001 Construction Budget Operating Expenditure Plan of \$145.4 million (June 20, 2000 memo). The motion carried.

Consider Approval of Land Purchases and Review of Scope, Purpose, and Estimated Cost of ADOT Projects.

Bob Hull presented the request for consideration of approval of land purchase and review of scope, purpose and estimated cost of the north Phoenix Maintenance Yard project.

Senator Smith asked what advantage there is for constructing the North Phoenix Maintenance Yard. Mr. Hull said that maintenance yards in the Phoenix area are located in the south, east and west valley. There is not a maintenance yard in the north valley. A North Phoenix Maintenance Yard would cut down on the response times and provide more efficient services to the north valley.

Chairman Burns asked for questions or comments. There were none.

Senator Gnant moved that the Committee approve the request to purchase the land for the North Phoenix Maintenance Yard Project and that the Committee also give a favorable review of the scope, purpose and estimated cost of the project. The motion carried.

Mr. Hull presented the request for approval of land purchase and review of the design portion for the MVD Service Center in Payson.

Chairman Burns asked for questions or comments. There were none.

Senator Gnant moved that the Committee approve the request to purchase land for the Payson MVD Service Center and also give a favorable review of the design portion of the project. The Committee also requested that the department report in writing to the Committee if the land purchase price exceeds the appraised value. The motion carried.

Review of Scope, Purpose, and Estimated Cost of Spreader Rack Replacement Project.

Bob Hull presented the request for review of the scope, purpose, and estimated cost of the spreader rack replacement project.

Chairman Burns asked for questions or comments. There were none.

Senator Gnant moved that the Committee give a favorable review to the scope, purpose, and estimated cost of the spreader rack replacement project. The motion carried.

Review of Release of Funds for Design of a Regional Transportation Center at Pioneer Park in Prescott.

Lorenzo Martinez presented the request for the release of funds for design of a regional transportation center at Pioneer Park in Prescott. The JLBC Staff also recommends that ADOT and the Department of Public Safety (DPS) submit the scope, purpose and estimated cost of the project for Committee review before construction is started. The new site for the transportation center will be on Federal Bureau of Land Management (BLM) land. Should the agreement with BLM be terminated, any improvements on the site may not be recoverable.

Chairman Burns asked for questions or comments. There were none.

Senator Gnant moved that the Committee give a favorable review of the expenditure of monies for design of a Regional Transportation Center at Pioneer Park in Prescott and that ADOT and the Department of Public Safety submit the scope, purpose, and estimated cost of the project after completion of design and the project has been bid. The motion carried.

ARIZONA DEPARTMENT OF CORRECTIONS/ARIZONA DEPARTMENT OF ADMINISTRATION — Review of New Southern Regional Prison Complex at Tucson and Possible Alternatives.

Chairman Burns asked for a report from the subcommittee.

Senator Smith stated that on a 3 to 1 vote, the subcommittee voted to recommend that the full Committee give a favorable review to the infrastructure construction at Tucson II. The subcommittee also recommends that the general construction phase of Tucson II not proceed without additional review by the Committee.

Representative Weason indicated there was limited discussion on the scope of the subcommittee charge. This lead to limited review regarding methodology on cost savings, the rationale for the project, etc. She opposed the building of the prison until more answers have been received regarding the needs of this prison.

Brad Regens, JLBC Staff referenced the supplemental material dated June 20, 2000 that was distributed.

Representative Weason mentioned that some existing state prisons were built with the expectation of expansion in the future. She has visited Apache and Safford facilities. She would like to see funds available to expand and create economic development in the rural areas and save taxpayer monies.

In answer to questions, Mr. Regens mentioned that the Committee has reviewed the prison issue in the past. Primarily dealing with land acquisition for the Tucson facility. The JLBC Staff provided the build-out capabilities of all the current facilities. The Tucson facility is currently planned for 4,400 beds and the Apache/Safford build-out combined would be approximately 600 beds. The House Leadership proposal regarding the special session education funding includes some state agency budget reductions which would reduce the Department of Corrections (DOC) budget by approximately \$23 million. If this were to occur, the options are either delaying opening up private beds that are currently funded but have not come on line and/or delaying some beds at the Lewis complex that have been funded but have not been staffed. Legislation has been enacted which appropriated money from FY 2000 thru FY 2003 for construction of the new Tucson complex. Any changes to the construction funding would require legislation.

The beds in the system that are operating and staffed vs. the number of inmates leaves a bed deficit of approximately 1,500. With the number of beds that are funded and built at Lewis, and some additional private beds that are already funded, the department would have a surplus of approximately 400-500 beds. At the Lewis complex there are approximately 1,700 to 1,800 beds that are built and funded but do not have sufficient staffing. If the constructed and funded beds were operational, there would be 400-500 more beds than inmates. The DOC is using temporary facilities such as tents to handle the current overcrowding. There is money in the DOC budget to open all constructed beds; however, DOC has been unable to recruit sufficient staff to open the beds. Private beds have also been funded but no contracts have been implemented yet.

Mr. Regens referred to the projections of inmate population growth and the construction schedule for Tucson II. Current funding was based on a growth rate of 132 new inmates per month. Actual growth rate for this fiscal year is 15 per month. The 10-year average is 100 per month. The Executive is proposing opening the Tucson complex when DOC reaches a 2,000 bed deficit. The department has indicated they can manage with a 2,000 bed shortfall.

In answer to Senator Wettaw, Mr. Regens stated the DOC budget increased significantly from 1999 to 2000 in order to fund the opening of the Lewis complex.

Mr. Regens replied to Senator Solomon that the JLBC recommendation is to favorably review infrastructure construction, but that they not move forward with the general construction phase until further Committee review and how Lewis complex staff vacancies relate to the future construction of Tucson II.

Senator Arzberger asked the security level of the unopened beds. Mr. Regens stated that the beds are level 3 and level 4. As a reference, level 5 is maximum security. The Apache facility is currently a level 2, which is a minimum, and Safford is a mixture of level 2 and level 3.

In reply to Senator Bowers, Mr. Regens stated that JLBC Staff is working on a fiscal analysis of the drug initiative. One of the initiative provisions is to eliminate the mandatory minimum for certain drug offenses and increase the maximum. Current information indicates there are more offenders who are sentenced at the minimum than at the maximum. This could result in fewer inmates serving shorter sentences.

In answer to Representative Weason, Mr. Regens stated that historical inmate population growth is at a level that is significantly higher than what was experienced in the last year. The reasons for the significant slow down in growth are unknown.

Senator Gnant asked if there were any compelling reasons to initiate construction now versus 6 months from now when more data on inmate growth will be available.

Senator Smith said the federal government can change the rules for acquiring environmental permits, which could affect the construction timeline.

Senator Gnant then asked if the Committee felt that it was okay to pay a multi-million insurance premium against something that the government may or may not do?

Representative Weason mentioned that there is information that needs be received regarding permits, details of the statute of limitations, etc. The subcommittee never received the information.

Mr. Regens replied to Senator Solomon that JLBC Staff has done some research on the environmental regulations. There have been several issues that have changed in the last several years, such as pygmy owl habitat regulations. The DOC and ADOA have had to address those. At this time, JLBC Staff has not been able to find any pending regulations that are set to change. This does not mean that they may not change in the future.

Representative Cooley asked for clarification on the 1,400 private beds that were authorized and assumed that the authorization was done when the inmate growth was at 132 per month. Mr. Regens stated that monies were appropriated in the DOC biennial budget for private beds when the growth was projected at 132 inmates per month. The monies are for 400 private beds beginning June 2000 and an additional 1,000 private beds in June 2001. If the growth continues as it has in the past year and the Lewis beds are staffed and operational, then the private beds would essentially be surplus.

Representative Flake addressed the Committee on his interest, along with Senator Brown, Senator Arzberger, and others, to expand the Apache and Safford prisons. The biggest employer in the state is the State of Arizona. The state should consider putting the jobs where they are needed. The growth of jobs in urban Arizona is too fast and too slow in rural Arizona. The Director of the Department of Environmental Quality (ADEQ), is establishing offices in St. Johns, Yuma, Kingman, Wilcox and putting ADEQ staff in rural Arizona. He encouraged the state to have more jobs in rural Arizona along with the necessary infrastructure.

Bill Greeney, OSPB said the Executive plan is to do only what has to be done to keep the project going. There have been changes in the environmental area and referenced his handout with the recent changes. Mr. Greeney proceeded to review the cost estimates. The Tucson complex will contain level 4 and level 3 units. Safford and Apache are made up of level 2 and level 3 units. A majority of the inmates at the Apache facility come from Maricopa County. An expansion could create transportation and visitation issues. The Safford facility has had a very low staff vacancy rate. Over the last ten years, felony filings at Superior Court have been on a constant upward trend.

Senator Arzberger asked why we couldn't expand the Apache, Safford and Douglas facilities. Mr. Greeney mentioned that the prison expansions haven't been taken off the list and are continually being looked at. The estimates for expansion construction are higher due to location and the relatively small size of the expansions. If a way can be found to make the construction cheaper that would make expansions more viable.

Senator Arzberger also mentioned that the construction could be cheaper by using inmate labor. He also expressed concern about the water shortage in Tucson.

Senator Solomon asked how certain drug offenders were treated. It is her feeling that the purpose of hiring more police officers would help to prevent crime. Mr. Greeney mentioned that those issues have been taken into account.

In response to Representative Cooley, Mr. Greeney replied that the violent offenders are in the level 4 and level 5 units. Apache is a level 2 prison and Safford is level 2 and level 3 prison.

Terry Stewart, Director, DOC replied to Senator Brown that it is the intent to build out Apache, Safford and Douglas at some point. When looking at the build out factor, the decision is based on which project is most cost effective. The decision to build more than 4,000 beds in one complex creates savings due to economies of scale. Mr. Stewart referred to the handout projecting the prison population. Releasing more inmates than are being received is not necessarily driving the deficit in the prison population. DOC is receiving Maricopa County admissions, which are significantly down. Maricopa County is driving the recent downturn in population. While admissions are decreasing, criminal case filings are increasing. Maricopa County has a record number of pending criminal cases. The total inmate population in Arizona at this time is 25,253.

In response to Representative Weason, Mr. Stewart said the percentage estimates for the following are: DWI inmates-5%, level 2 inmates-30%, level 3 inmates-34%, level 4 inmates-19% and level 5 inmates are 12%. The DOC is in need of level 2 beds. It has been decided to put a level 4 unit in the Tucson complex to help the construction cash flow relative to when federal and state funding becomes available. Federal funding may only be used for level 4 or level 5 construction.

In answer to Senator Arzberger, Mr. Stewart agreed that prisons should be part of economic development. The primary issues for DOC are volume and cost per bed.

Representative Weason opposed the special session House education plan because of the agency budget cuts. Mr. Stewart said that he is trying to identify where \$23 million would be extracted from the DOC 2001 budget. It takes approximately 4 years to go from funding, planning and design to activation of the prison beds. The decision that is made today will have

implications 4 years from now and will have significant and serious safety implications. The safe thing would be to authorize the infrastructure for the new complex now.

In response to Representative Cooley, Mr. Stewart stated that the deadline for expending federal funds is 2004. Approximately \$30 million in federal funds is available for prison construction. Once the state qualifies for the monies a check is sent from the federal government to DOC. The check has a lapsing point where it can no longer be spent and they ask that you qualify what the monies will be spent for. You then must prove that you are spending the money for a high custody facility. Building the structure and paying the contractor spends the money. There are audits conducted by the Department of Justice to ensure all requirements are met.

In response to Senator Solomon, Mr. Stewart said that the President and the Congress are in a tug-of-war about whether the federal funding should continue.

Chairman Burns held the item. If the Committee members have further questions, the Chairman asked that JLBC Staff be contacted so that the issues could be addressed at the next meeting.

David Brown, Supervisor, Apache County stated that he concurs with the presentation by Representative Flake in regards to the prison expansion programs.

ARIZONA BOARD OF REGENTS/UNIVERSITIES — Reports on Arizona State University Bond Project and University of Arizona Lease-Purchase Project. (Information Only)

The Committee received informational reports on the revised cost estimate for a residence hall bond project at Arizona State University and the issuance of Certificates of Participation to finance the expansion of a performance center and hall and the acquisition of the university police facility at the University of Arizona. No Committee action was required.

ARIZONA STATE PARKS — Report on Status of Development Projects at State Parks.

Chris Earnest, JLBC Staff mentioned that the requested report on development projects at state parks relative to the development of Kartchner Caverns State Park was not available for this meeting. It is anticipated the agency will provide the Committee with the report at its next meeting.

The Chairman adjourned the meeting at 10:25 a.m.

Jan Belisle, Secretary

Lorenzo Martinez, Senior Fiscal Analyst

Representative Robert "Bob" Burns, Chairman

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

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DATE: August 8, 2000

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

THRU: Richard Stavneak, Director

FROM: Bob Hull, Principal Research/Fiscal Analyst

SUBJECT: ARIZONA DEPARTMENT OF TRANSPORTATION - REVIEW OF FISCAL YEAR
2001 BUILDING RENEWAL ALLOCATION PLAN

Request

The Arizona Department of Transportation (ADOT) requests that the Committee review its FY 2001 Building Renewal allocation plan.

Recommendation

The JLBC Staff recommends a favorable review of the request.

Analysis

Laws 1986, Chapter 85 established the Joint Committee on Capital Review and charged it with developing a Building Renewal Formula to guide the Legislature in appropriating monies for the maintenance and repair of state buildings. Chapter 85 also required the establishment of "building systems" for the purpose of computing, funding, and administering Building Renewal. Initially, 2 building renewal systems were established, the Arizona Board of Regents and the Arizona Department of Administration. In 1993, the ADOT building system was also established. Pursuant to A.R.S. § 41-1252, the JCCR shall review the expenditure of Building Renewal monies.

The Capital Outlay Bill (Laws 1999, Chapter 2, 1st Special Session) appropriated a total of \$2,484,000 (\$2,427,900 from the State Highway Fund and \$56,100 from the State Aviation Fund) in FY 2001 to ADOT for building renewal. The FY 2001 Building Renewal appropriation represents 100% of the amount generated by the Building Renewal Formula.

(Continued)

ADOT reports that they do not expect to expend the \$56,100 Building Renewal monies appropriated from the State Aviation Fund, since they are currently working on establishing a lease of the Grand Canyon Airport to a nonprofit corporation. If unused by the end of the fiscal year, this amount would revert to the State Aviation Fund. Laws 2000, Chapter 99 eliminated the Grand Canyon Airport Authority and returned the airport to ADOT, effective July 18, 2000. ADOT must in turn lease the airport to a nonprofit corporation to operate by March 1, 2001.

ADOT expects to allocate the Building Renewal monies appropriated from the State Highway Fund in the following categories for 174 projects:

<u>Category</u>	<u>Projects</u>	<u>State Highway Fund</u>	<u>% of Total</u>
Fire/Life Safety	14	\$300,800	12.4%
Roofing	17	126,500	5.2
Building System	43	606,700	25.0
Exterior Building Finishes	28	146,400	6.0
Interior Building Finishes	41	429,400	17.7
Remodeling	5	91,500	3.8
ADA	9	282,000	11.6
Infrastructure	17	171,700	7.1
Contingencies		272,900	11.2
Total	174	\$2,427,900	100.0%

For the Committee's information, the following 6 projects represent projects requiring \$50,000 or more (ADOT's request letter lists the 174 projects in the ADOT allocation plan):

<u>Project</u>	<u>Allocation</u>
Asbestos and lead inspections and testing - Phoenix Metro	\$200,000
Replace inadequate electrical service to district office	150,000
Rewire & high bay lighting - St. David Maintenance Shop	60,000
Replumb chilled water lines - Old MVD Building	100,000
Install elevator & restroom - ADA - Traffic Operations Center	130,000
Electrical upgrades - Needle Mountain Maintenance Facility	65,000
Subtotal	\$705,000

The JLBC Staff recommends a favorable review of the request.

RS:BH:jb



Arizona Department of Transportation

Office of the Director

206 S. 17th Ave. Phoenix, Arizona 85007-3213
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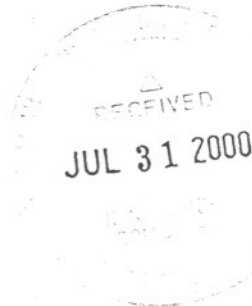
Jane Dee Hull
Governor

Mary E. Peters
Director

July 31, 2000

Victor M. Mendez
Deputy Director

The Honorable Robert Burns, Chairman
Joint Committee on Capital Review
1700 W. Washington
Phoenix, AZ 85007



Dear Representative Burns:

We respectfully request to be placed on the August scheduled JCCR meeting agenda. This relates to the previously proposed expenditure of \$2,427,900 in Highways funded projects for the FY 2001 Building Renewal appropriations.

No request is made for approval of Aviation funded projects at this time even though an appropriation of \$56,100 has been approved. Currently no expenditures are anticipated due to the planned lease of the Grand Canyon Airport facility.

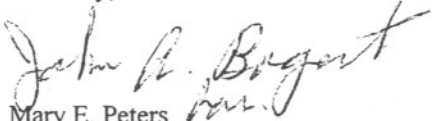
The outline of the scope of work for Highways funded projects is as follows:

PROJECT: HIGHWAYS FUNDED BUILDING RENEWAL FORECAST

Category 1 - Fire/Life/Safety	\$ 300,800
Category 2 - Roof repairs/replacements	\$ 126,500
Category 3 - Major Building Systems	\$ 606,700
Category 4 - Exterior Building Finishes	\$ 146,400
Category 5 - Interior Building Finishes	\$ 429,400
Category 6 - Major Renovations	\$ 91,500
Category 7 - ADA Accessibility	\$ 282,000
Category 8 - Infrastructure	\$ 171,700
Contingencies	\$ 272,900
Total	\$ 2,427,900

Your review and approval of this request is greatly appreciated.

Sincerely,


Mary E. Peters

cc: The Honorable Randall Gnant, JCCR
Richard Stavneak, JLBC
Marcel Benberou, OSPB
Robert Hull, JLBC

Tom Betlach, OSPB
Bret Cloninger, OSPB
John Bogert, ADOT
Bob Harris, ADOT

Dick Wright, ADOT
David Jankofsky, ADOT
Victor Mendez, ADOT

STATE OF ARIZONA
FY 2001 CAPITAL IMPROVEMENT PLAN
SUMMARY - BUILDING RENEWAL PROJECTS
Arizona Department of Transportation

2001 Renewal Project Requests

Project Description	Request FY 01
Region Wide Smoke Detectors for all Residences - Northern/Southern Regions	\$ 1,100
Kayenta - install personnel door in shop	\$ 1,500
Install overhang on equipment shed in Colcord	\$ 5,000
Tucson District Office - Fire Alarm system - Exit lights - include A&E	\$ 23,000
Phx Metro Bldgs. - Asbestos and lead inspections and testing	\$ 200,000
Avondale - fire alarm unit	\$ 15,000
Chinle - Install emergency lighting	\$ 1,000
Flagstaff - Install cover over front entry	\$ 15,000
Page - Install eye wash station	\$ 1,200
South Mountain Dual, 221 E Olympic Drive -- (Class A) Fire Alarm	\$ 15,000
Surprise Dual, 13009 W Bell Rd -- (Class A) Fire Alarm	\$ 15,000
Tec Nos Pos - Install eye wash station	\$ 1,500
Topock - Install eye wash station	\$ 1,500
Tucson East - Pigeon Abatement	\$ 5,000
CATEGORY 1 - FIRE/LIFE/SAFETY	\$ 300,800

Replace roof on well at Little Antelope Maintenance Yard	\$ 2,500
Page Storage Shed L142103M - Reroof	\$ 1,500
Globe Maintenance Yard Truck Storage - Coat Roof	\$ 12,500
Indian Pine Maintenance Yard Truck Storage/Equipment Shop - Coat Roof	\$ 18,800
Show Low Maintenance Yard Office - Reroof shingles	\$ 7,200
Chambers Maint Yard - reroof building	\$ 3,000
Roof on Traffic Signal Bldg in Payson	\$ 4,000
Reroof Oil House in Cordes Maint Yard	\$ 2,000
Reroof Sign Shed in Wickenburg	\$ 3,000
Durango Yard, Storage Bldg, 2209 W Durango -- Reroof	\$ 4,900
Safford Construction Storage @ Maint yard - new roof 20 x 14 @ 6 / 12 pitch	\$ 1,000
Safford Maintenance Office - Office Roof	\$ 4,100
Willcox Construction Office - Re-roof	\$ 2,100
Sonoita Roof	\$ 6,000
Chandler Dual, 50 S Beck -- Install Duro-Last roof	\$ 37,700
Duncan POE - Replace Roof Shingles	\$ 2,200
Tempe Dual, 1703 E Larkspur -- New Roof	\$ 14,000
CATEGORY 2 - ROOFS	\$ 126,500

Fredonia Maint Yard - Replace worn shop doors with new insulated doors (roll up) and electric operators	\$ 20,000
Littlefield Mntc Office - Replace failing window style AC unit with a new unit	\$ 1,000
Replace heater in Williams Ready Room	\$ 2,500
Winslow Maint Office - Replace 2 wall furnaces and evap cooler with 3.5 T gas pack	\$ 4,000
Flag Facilities - Replace heater	\$ 2,000
Greenriver Yard - Install 1200 amp service on S end of EQS to feed Signing & Striping & Traffic	\$ 20,000
Fish Creek Maintenance Yard Office - Replace room HVAC (window shaker)	\$ 1,200
Globe District Office - Replace HVAC	\$ 21,000
Globe Maintenance Yard Crew Day Room - Replace HVAC (window shaker)	\$ 1,400
Roosevelt Maintenance Yard Crew Day Room - Replace HVAC	\$ 5,000
St. Johns Maintenance Yard Office/Crew Day Room - Replace HVAC	\$ 6,500
Replace inadequate electrical service to District Office, Radio Shop & Paint Dock (Incl Emerg Power)	\$ 150,000
Install larger electrical panel and lights in equipment shed - Wikieup Maintenance	\$ 5,000
Equipment shed heaters - Seligman Maintenance	\$ 5,000

STATE OF ARIZONA
FY 2001 CAPITAL IMPROVEMENT PLAN
SUMMARY - BUILDING RENEWAL PROJECTS
Arizona Department of Transportation

2001 Renewal Project Requests

Project Description	Request FY 01
Replace faucets in Sunset Point Rest Area rest rooms.	\$ 1,200
Camp Verde Natural Resources - Replace existing gas pack heater/AC	\$ 5,000
Repair or replace the antiquated lighting fixtures inside the Hilton building	\$ 1,000
Durango Yard, 2209 W Durango -- 7 coolers	\$ 4,200
Durango Yard, Signs & Striping, 2209 W Durango -- Replace 3 Ton A/C	\$ 1,300
Durango Yard, Signs & Striping, 2209 W Durango -- Replace 6 Wind Turbines	\$ 1,500
Phoenix Maintenance, Blue Stake Trailer, 2140 W Hilton -- Replace 2 failing A/C units	\$ 2,600
Phoenix Maintenance, Engineering Trailer, 2140 W Hilton -- Replace 2 failing A/C units	\$ 2,600
St. David Maintenance Shop/Office - Replace HVAC in Office	\$ 6,700
St. David Maintenance Shop/Office - Replace Shop Heaters	\$ 11,500
St. David Maintenance Shop/Office - Rewire & High Bay Lighting	\$ 60,000
Tile building - 2 ea 3 1/2 ton heat pumps, 1 ea 1 ton heat pump, 1 ea 1.5 ton (no heat)	\$ 12,000
Yuma Maintenance Truck / Materials Storage Barn - Replace insulation in 3 exposed bays and front metal siding	\$ 4,800
Replace heavy metal collection tanks in truck wash - Grant Road.	\$ 10,000
Tucson - Replace truck exhaust (fumes) exhaust system	\$ 12,000
Douglas - Major building systems - Replace 3 gas heaters, replace rain gutters, replace two evap coolers, replace roof ventilators, finish electrical repairs to bring to code.	\$ 10,000
Phoenix Equipment Services Cooling Tower - replace 28 year old worn out cooling tower	\$ 25,000
Page - Building Systems - Replace 8 original evaporative coolers	\$ 10,000
Globe- Repair roll up door thresholds, Replace 2 evap coolers and 2 radiant heaters	\$ 5,000
Flag EQS - install 5 T gas pack w/ duct work, replace 3 evap coolers and 1 upflow heater/AC	\$ 9,000
Holbrook EQS - Replace heater in parts room	\$ 2,000
Kingman EQS - Replace tube type heaters with forced air type	\$ 6,000
Annex - Air Conditioning - WAN Telecommunications Equipment Room	\$ 8,000
Old MVD Building - Replumb chilled water lines	\$ 100,000
Avondale Dual, 1452 N Eliseo C Felix Jr Way -- 60 Ton Cooling Tower	\$ 16,000
Green Valley - HVAC 2 Units	\$ 8,700
Tempe - Reduct AC - poor circulation - inadequate cooling	\$ 10,000
Topock Port of Entry - Replace A/C window AC units with a central unit	\$ 6,000
Tucson North - Replace older HVAC	\$ 10,000
CATEGORY 3 - MAJOR BUILDING SYSTEMS	\$ 606,700

Replace garage doors at residences at Little Antelope Maintenance Yard	\$ 7,500
Page Storage Shed L142103M - replace door, siding and exterior paint	\$ 1,500
Paint exterior of Flagstaff Regional Lab	\$ 6,000
Globe Maintenance Yard Truck Storage - Replace 3 overhead doors	\$ 11,200
Springerville Maintenance Yard Various Buildings - Paint	\$ 6,100
Superior Maintenance Yard - Paint all buildings	\$ 6,100
Doors on wash building at PV yard	\$ 17,000
Paint spreader racks in PV yard to prevent further deterioration	\$ 3,000
Mule Mountain Sand Shed - Paint Exterior	\$ 1,200
Safford District Office - Paint exterior	\$ 1,100
Safford District Lab - Paint exterior	\$ 1,100
Safford District Office Radio Shop - Paint exterior	\$ 1,000
Willcox Construction Office - Paint exterior	\$ 1,200
Paint buildings at Grant Road. Carpenter shop, equipment shop, maintenance office, facilities office, traffic operations, fuel island, ice house and guard shack	\$ 18,000
Tucson - Major building systems - replace: siding (3rd time) and paint	\$ 10,000
Holbrook EQS - Replace 2 metal personnel doors	\$ 2,000
Bullhead City - Replace worn exterior doors	\$ 5,000

STATE OF ARIZONA
FY 2001 CAPITAL IMPROVEMENT PLAN
SUMMARY - BUILDING RENEWAL PROJECTS
Arizona Department of Transportation

2001 Renewal Project Requests

Project Description	Request FY 01
Claypool - Paint and repair exterior walls	\$ 4,000
Ehrenburg POE - Repaint exterior	\$ 4,000
Fredonia Port of Entry - paint exterior	\$ 2,000
Lake Havasu M. V. D. Construct Wind Break Walls at Entrance	\$ 5,000
Mesa Main-North - Paint exterior walls	\$ 8,000
Page - Paint Exterior	\$ 5,000
Sierra Vista Regional Service Center - Replace front doors	\$ 2,400
Sierra Vista: Replace Front Doors, not aligning & setting off Alarm.	\$ 2,500
South Mountain - Paint Exterior	\$ 5,000
Window Rock - Install new door - to open out - build vestibule	\$ 8,000
Yuma 1-8 Port of Entry - paint exterior	\$ 1,500
CATEGORY 4 - EXTERIOR BUILDING FINISHES	\$ 146,400

Replace carpet in the residences at Gray Mountain Maintenance Yard	\$ 16,000
Replace carpet in the office at Little Antelope Maintenance Yard	\$ 7,000
Replace worn carpet in Page residence (Brenner)	\$ 4,000
Littlefield Mntc Office - cover damage interior sheetrock with plywood	\$ 1,500
Parker Creek Maintenance Yard Residence - Replace carpet and roll goods	\$ 3,900
Sheetrock ceiling in Cordes lab.	\$ 3,500
Traffic Engineering Trailer - Paint, carpet and repair hole in floor and minor remodel	\$ 5,200
Willcox Construction Office - Remove asbestos floor tile and retile - ASBESTOS ABATEMENT	\$ 8,000
Tucson Construction Office - Replace carpet and / or tile as per plans - Move furniture	\$ 5,000
Engr Bldg - Replacement of linoleum flooring for copier, janitorial, maintenance and basement rooms.	\$ 5,000
Engr Bldg - Replace ceiling tiles.	\$ 22,000
Engineering Building, 205 S 17 Ave -- Carpet second floor	\$ 45,000
Traffic Signal Administration, 2140 S 22 Ave -- Carpet first floor	\$ 45,000
Traffic Signal Administration, 2140 S 22 Ave -- Paint interior	\$ 10,000
Administration Bldg, 206 S 17 Ave -- Paint Halls	\$ 2,500
Administration Bldg, 206 S 17 Ave -- Remodel auditorium	\$ 35,000
General Operations, 1655 W Jackson -- Replace worn carpet in C&S	\$ 25,000
Old MVD Building - Paint Offices in Procurement Group	\$ 13,000
Avondale - install greeter station, remodeling window #1 and moving Q-Matic system.	\$ 8,000
Casa Grande - Paint interior of building	\$ 2,000
Fredonia Port of Entry - paint interior	\$ 3,000
Glendale Dual, 5890 W Beverly Lane -- Paint interior of building	\$ 2,100
Kingman - interior paint	\$ 10,000
Mesa Main-North - Paint interior walls	\$ 10,000
Mesa Main-North - Replace carpet	\$ 12,000
Mesa Main-North - Replace stained and worn floor tile	\$ 2,500
Mesa Main-South - Paint interior walls	\$ 10,000
Mesa Main-South-Replace carpet	\$ 12,000
Mesa Main-South-Replace stained and worn ceiling tile	\$ 5,000
Page - Replace worn carpet	\$ 4,000
South Mountain - Paint Interior	\$ 3,000
South Mountain-Replace carpet in entire building-ripped and buckling in some areas	\$ 10,000
Tempe - Replace Ceiling tiles - stained	\$ 1,000
Tempe - replace panels in Men's restroom	\$ 1,500
Tuba City - Replace floor tile	\$ 4,000
Tucson CDL - Paint Interior	\$ 2,000
Tucson CDL - Replace floor tile	\$ 5,000
Tucson Regional Service Center - Replace upstairs carpet	\$ 48,700

STATE OF ARIZONA
FY 2001 CAPITAL IMPROVEMENT PLAN
SUMMARY - BUILDING RENEWAL PROJECTS
Arizona Department of Transportation

2001 Renewal Project Requests

Project Description	Request FY 01
Window Rock - Replace carpet	\$ 5,000
Yuma Regional - Paint, replace flooring, faucets, soap dispenser & mirror in men's restroom	\$ 5,000
Yuma Regional - Replace worn carpet	\$ 7,000
CATEGORY 5 - INTERIOR BUILDING FINISHES	\$ 429,400

Remodel Construction Office in Payson	\$ 20,000
PC/LAN Remodel (move to Legislative Services area)	\$ 10,000
Admin Building - Remodel room for video conferencing	\$ 15,000
Admin Bldg - Remodel area vacated by Maintenance	\$ 43,000
Lake Havasu City - remodel interior- Hearing room	\$ 3,500
CATEGORY 6 - MAJOR RENOVATIONS	\$ 91,500

Ensure bathrooms in the Admin Bldg are ADA Compliant	\$ 45,000
Ensure bathrooms in the Training Trailers are ADA Compliant	\$ 35,000
Traffic Operations Center - Install elevator and restroom - ADA compliance	\$ 130,000
Admin Bldg. - Remodel Rest Rooms by board room to ADA stds.	\$ 36,000
Fredonia - Install ADA counters	\$ 10,000
Install ADA parking signs at Fredonia, Globe/Claypool, Kearny, Parker, Springerville, Window Rock	\$ 3,000
Page - Install ADA counters	\$ 10,000
Tuba City - Add one ADA workstation	\$ 3,000
Tucson North: Add two ADA workstations	\$ 10,000
CATEGORY 7 - ADA ACCESSIBILITY	\$ 282,000

Water line replacement - Seligman Maintenance	\$ 25,000
Replace inadequate and failing transformer and electrical upgrades - Needle Mountain Maint Facility	\$ 65,000
Casa Grande - Restripe parking lot	\$ 4,000
Claypool - Repave with new AC and restripe lot	\$ 17,200
Clifton Office - Repave parking lot	\$ 6,500
Lake Havasu City - restripe motorcycle track	\$ 1,000
Mesa Main-North - Stripe parking lot	\$ 2,500
Northwest-Restripe parking lot due to fading (Beardsley)	\$ 4,000
Safford: MC Test Course needs repainting.	\$ 1,000
Sierra Vista: MC Test Course needs repainting.	\$ 1,000
South Mountain - Resurface & restripe parking lot	\$ 14,000
Tempe - Parking curbs need painting	\$ 2,000
Tempe - Signage- Parking lot signage, fire lane, handicapped parking	\$ 500
Tucson CDL-Seal coat CDL track and parking lot-restripe CDL track and parking	\$ 11,000
West Phoenix - Replace damaged sidewalk	\$ 15,000
Yuma Regional - Paint cement parking dividers	\$ 1,000
Yuma Regional -Retape and restripe motorcycle parking lot	\$ 1,000
CATEGORY 8 - INFRASTRUCTURE	\$ 171,700

RECAP - HIGHWAYS FUNDED PROJECTS	
1 - Fire/Life/Safety	\$ 300,800
2 - Roofs	\$ 126,500
3 - Major Buildings Systems (HVAC, water lines, electrical system, etc)	\$ 606,700
4 - Exterior Building Finish (siding, windows, paint, etc)	\$ 146,400
5 - Interior Building Finish (floor coverings, ceiling tiles, paint, etc)	\$ 429,400
6 - Major Renovation	\$ 91,500
7 - ADA Accessibility	\$ 282,000
8 - Infrastructure	\$ 171,700
Contingencies	\$ 272,900
TOTAL - HIGHWAYS FUNDED PROGRAM	\$ 2,427,900

STATE OF ARIZONA

Joint Committee on Capital Review

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HOUSE OF
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ANDY NICHOLS
CHRISTINE WEASON

DATE: August 3, 2000

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

THRU: Richard Stavneak, Director

FROM: Lorenzo Martinez, Senior Fiscal Analyst

SUBJECT: ADOT/DPS - REVIEW OF SCOPE, PURPOSE AND ESTIMATED COST OF
REGIONAL TRANSPORTATION CENTER AT PIONEER PARK IN PRESCOTT

Request

The Arizona Department of Transportation (ADOT) and the Department of Public Safety (DPS) are requesting Committee review of the scope, purpose and estimated cost of a Regional Transportation Center at Pioneer Park in Prescott.

Recommendation

The JLBC Staff recommends a favorable review of the request. The JLBC Staff further recommends that ADOT and DPS report back to the Committee in writing on the project costs after the project contract has been awarded.

As noted in a preliminary review of the project at the Committee's June 2000 meeting, the new location is on Federal Bureau of Land Management (BLM) land and any improvements on the land may not be recoverable if the state's patent agreement with BLM is ever terminated. The Committee gave a favorable review of the expenditure of monies for the design of the project on the proposed location at the June meeting.

Analysis

Laws 1999, Chapter 319 appropriated monies from the Highway User Revenue Fund (HURF) to ADOT and DPS for the design, engineering and construction of the Pioneer Park Regional Transportation Service Center. The following lists the appropriations to each agency.

	<u>FY 2000</u>	<u>FY 2001</u>	<u>Total</u>
ADOT	\$300,000	\$4,647,500	\$4,947,500
DPS	130,000	1,122,500	1,252,500
Total	\$430,000	\$5,770,000	\$6,200,000

(Continued)

ADOT and DPS are having to relocate from the existing Sheldon Street Transportation Center as a result of the restructuring of the Highway 69 and Highway 89 interchange. Yavapai College will acquire portions of the existing site not used for the restructured highway interchange. Chapter 319 requires that any monies received from Yavapai College to purchase land and facilities be deposited in HURF. Given that less than 5 acres may be available, no deposits are anticipated at this time.

Chapter 319 also stipulates that Yavapai County shall donate at least 20 acres of land for ADOT and DPS to relocate to Pioneer Park. The agreement between the entities would convey 2 parcels of land from the county to ADOT and DPS. The proposed conveyances involve public land that is patented to the county by BLM. While this patent essentially provides ADOT and DPS with the site in perpetuity, the improvements made on the land may not be recoverable if the patent is ever terminated. A patent provides title to the surface property; however, title to all other property rights will be held by BLM.

ADOT plans to construct 4 buildings at the site with accompanying infrastructure and site improvements. The buildings include a 12,000 square foot Motor Vehicle Division Service Center, a 7,500 square foot Intermodal Transportation (ITD) District Office, a 6,400 ITD Materials Testing Laboratory, and a 3,000 square foot Maintenance Building. DPS plans to construct an 8,000 square foot District Office.

The following lists the current cost allocations for the project.

	<u>ADOT</u>	<u>DPS</u>	<u>Total</u>
A&E and Other Professional Fees	\$ 300,000	\$ 130,000	\$ 430,000
Construction	4,114,140	914,097	5,028,237
Furnishings, Fixtures, Equipment	195,000	45,000	240,000
Contingencies	<u>338,360</u>	<u>163,403</u>	<u>501,763</u>
Total	\$4,947,500	\$1,252,500	\$6,200,000

ADOT and DPS have combined their projects into one bid to take advantage of economies of scale. Bids are due on August 15, 2000 and ADOT and DPS anticipate having the project contract awarded by September 1, 2000. Should bids come in below appropriated amounts, both ADOT and DPS may add alternate bid items to the scope of the project. These additional items primarily involve site improvements such as fencing, parking and additional work space (see agency submissions for list of alternate bid items).

Even though bids for the project have not been received, the JLBC Staff is recommending a favorable review so the contract can be awarded as soon as possible and construction may begin before the winter weather arrives in the area. The JLBC Staff further recommends that ADOT and DPS report back to the Committee in writing on the project costs after the project contract has been awarded.

RS:LM:jb

RECEIVED
JUL 26 2000

July 25, 2000

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

Dear Representative Burns:

We respectfully request to be placed on the agenda of the next scheduled JCCR meeting, in order that the Committee may consider the release of the remainder of the funds appropriated by House Bill 2213, for a Regional Transportation Center at Pioneer Park in Prescott.

This project was brought before the Committee last month, in order to receive approval for the land transfer, and to hire an Architectural & Engineering firm. All control of the land and the Right Of Way for such has now been resolved and is completed. An A&E firm has been commissioned to do the work, and they have completed the bidding documents. The project is presently out for bid, and the bid date has been established as August 15, 2000. The amount appropriated for ADOT is \$4,647,500 and \$1,122,500 for DPS, for a total construction funds of \$5,770,000.

The A&E firm has provided a cost estimate stating they believe the ADOT "base bid" should not exceed \$4,232,615 and the DPS "base bid" should not exceed \$1,101,971. These base bid estimates includes furnishings, fixtures, equipment and any contingencies. In addition we have some "Add Alternates" we hope to be able to include, which will enhance the project, if the bidding climate will allow such. A&E estimates imply, with alternates, we should not exceed a total of \$5,693,985.

It is our belief that we will be within our allotted budget, with this in mind, we would like to award as soon as possible and not delay award until the next JCCR meeting would be scheduled. By awarding the contract near September first, it would allow construction of footings and foundations before freezing weather.

We respectfully request approval to proceed with a construction award of this Project, with the understanding that costs will not exceed the appropriated amounts. Your review and approval of this request is greatly appreciated.

Sincerely,

Mary E. Peters

cc: The Honorable Randall Gnant, JCCR
Marcel Benberou, OSPB
Richard Stavneak, JLBC
Dick Wright, ADOT
John Bogert, ADOT
Charles Haverstick, ADOT

MEP/cdh

Tom Betlach, OSPB
Bret Cloninger, OSPB
Robert Hull, JLBC
Victor Mandez, ADOT
David Jankofsky, ADOT
Carl Tornambe, DPS

To Paul Kleeschulte
ADOT

From Larry Hartman *Red*

Date 7/24/00

Project Pioneer Park Regional Transportation Center - Prescott

HDR No. 00173-001-032

Subject Construction Cost Estimate



Attached is HDR's final cost estimate.

Total ADOT Construction Budget (in accordance with our agreement) \$4,647,000

Total Estimate * including MVD Inspections Bay

\$4,592,014

+ 1,101,971 for DPS

Total Estimate * deducting MVD Inspections Bay

\$4,515,489

* Estimate includes:

Furnishings, Fixtures, & Equipment

\$ 195,000

Construction Contingency

\$ 195,000

Bid Climate Contingency (3%)

\$ 87,874

Subtracting FFE and Construction Contingency
(This is the Base Bid estimate number)

\$4,232,615

+ 1,101,971 for DPS

Bid Alternate estimates are itemized on Page 2.

Call if you have any questions.

Thanks

Cc: Charley Haverstick - ADOT
File

Attachments

HDR Architecture, Inc.

8222 South 48th Street, Suite 220, Phoenix, Arizona 85044-5364
Phone 602-659-2200 Fax 602-659-2250

RATIONALE FOR COST ESTIMATE

ESTIMATE OF PROBABLE CONSTRUCTION COST



PROJECT

PIONEER PARK REGIONAL TRANSPORTATION CENTER PRESCOTT ARIZONA

Designer: Laurence Hartman
Estimator: Keith Kothmann, cpe
AE project number: 00173-001-032
Project Location: Commerce Drive Campus
Status of Design: DESIGN DEVELOPMENT
Date of Report: 7/12/2000 REVISED 7/21/00
Construction Start Date: TBD
Cost Basis: First Qtr. 2000

Construction Cost Limitation \$5,777,000

SCOPE

Description

New Regional Transportation Facility

	Budget Amount	Estimate	Variance
DPS Total	\$ 1,122,500	\$ 1,101,971	20,529

Motor Vehicle Division	\$ 2,368,088
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Intermodal Transportation District Office	\$ 1,171,194
-------------------------------------------	--------------

ITD Materials Testing Lab	\$ 1,052,732
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ADOT Total	\$ 4,647,500	\$ 4,592,014
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Hazardous materials

None Anticipated

Building Type:

Load Bearing Exterior Wall Non-Combustible Single Story

Standing Seam Metal Roof, Commercial Standard Finishes

No. Buildings:

4

CRITERIA

Documents

99% Documents

Specifications, Design Analysis Narrative and Meeting Minutes

Format:

Labor and Material Detail Estimate

EXCLUSIONS

Design Fees, Owners Administrative Costs,

Relocation Costs, Owner furnished equipment

Opinion of Probable Cost

The opinion of probable project cost is made on the basis of information available and represents the judgements and experienced of a certified professional cost estimator. However, the estimator has no control over the cost of labor, materials, equipment or services furnished by others, or over other market conditions, or over the methodology used by bidding contractors. The Engineer does not guarantee that proposals, or bids for construction will not vary from the opinion of probable cost.



512 MAIN STREET

FT. WORTH, TEXAS 76102

**PIONEER PARK
REGIONAL TRANSPORTATION CENTER
PRESCOTT ARIZONA**

ENGINEERS

ESTIMATE
OF PROBABLE
COST

DESCRIPTION:			PROJECT RECAP		DATE:		12-Jul-00	
PROJECT NO.:			00173-001-032		ESTIMATOR:		K KOTHMANN	
STATUS OF DESIGN			CONSTRUCTION DOCUMENTS		CHECKED BY		L. HARTMAN	
SPEC.	RECAPITULATION		MOTOR VEHICLE DIVISION	ITD ADMIN BUILDING	ITD LAB	ESTIMATE TOTAL		
2000	COMMON SITE WORK PRORATED		\$217,569	\$131,711	\$110,688	\$459,968		
2002	SITE PREPARATION		\$82,210	\$17,946	\$19,874	\$120,029		
2100	PARKING AND WALKS		\$232,608	\$50,060	\$38,419	\$321,086		
2700	SITE IMPROVEMENTS		\$39,201	\$37,589	\$9,860	\$86,650		
3000	CONCRETE		\$65,934	\$38,371	\$38,413	\$142,718		
4000	MASONRY		\$73,345	\$49,896	\$44,410	\$167,651		
5000	METALS		\$40,000			\$40,000		
6000	ROUGH CARPENTRY		\$102,089	\$55,057	\$48,186	\$205,332		
6500	FINISH CARPENTRY		\$55,585	\$6,211	\$41,732	\$103,528		
7000	ROOFING & SHEET METAL		\$148,756	\$79,136	\$69,687	\$297,580		
7500	THERMAL AND MOISTURE PROTECTION		\$21,040	\$12,544	\$10,893	\$44,477		
8000	DOORS		\$30,261	\$36,819	\$24,042	\$91,121		
8800	GLASS AND GLAZING		\$58,485	\$19,255	\$4,880	\$82,620		
9000	DRYWALL AND ACOUSTICS		\$79,347	\$54,163	\$45,266	\$178,776		
9200	FINISHES		\$74,129	\$23,791	\$15,772	\$113,692		
9900	PAINTING		\$21,141	\$14,898	\$13,155	\$49,195		
10000	SPECIALTIES		\$13,566	\$9,076	\$9,765	\$32,406		
11000	EQUIPMENT		\$15,700		\$9,570	\$25,270		
12000	FURNISHINGS		\$1,101	\$1,020	\$624	\$2,745		
15000	FIRE PROTECTION		\$31,244	\$16,610	\$13,819	\$61,673		
15100	PLUMBING		\$75,834	\$40,421	\$51,154	\$167,410		
15500	HVAC		\$95,796	\$54,961	\$63,170	\$213,927		
16000	ELECTRICAL		\$180,545	\$101,641	\$99,054	\$381,240		
	SUBTOTAL		\$1,755,485	\$851,177	\$782,430	\$3,389,092		
	BID CLIMATE CONTINGENCY	3.00%	\$46,137	\$21,584	\$20,152	\$87,874		
	GENERAL CONDITIONS		\$74,531	\$45,119	\$37,917	\$157,568		
	TOTAL DIRECT COST		\$1,876,154	\$917,880	\$840,500	\$3,634,534		
	HOME OFFICE OVERHEAD	4.5%	\$84,427	\$41,305	\$37,823	\$163,554		
	SUB TOTAL		\$1,960,580	\$959,185	\$878,323	\$3,798,088		
	PRIME CONTRACTOR FEE	9.0%	\$176,452	\$86,327	\$79,049	\$341,828		
	BOND	1.5%	\$32,055	\$15,683	\$14,361	\$62,099		
	TOTAL CONSTRUCTION CONTRACT		\$2,169,088	\$1,061,194	\$971,732	\$4,202,014		
	FF&E BUDGET		\$103,000	\$60,000	\$32,000	\$195,000		
	CONSTRUCTION CONTINGENCY		\$96,000	\$50,000	\$49,000	\$195,000		
	TOTAL ADOT PROJECT BASE BID		2,368,088	\$1,171,194	\$1,052,732	\$4,592,014		

ARIZONA DEPARTMENT OF PUBLIC SAFETY

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



JANE DEE HULL
GOVERNOR

DENNIS A. GARRETT
DIRECTOR

July 27, 2000

RECEIVED
JUL 28 2000

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

Dear Representative Burns:

The Department of Public Safety (DPS) respectfully requests to be placed on the agenda for the next scheduled JCCR meeting, in order that the Committee may consider release of the remainder of the funds appropriated by House Bill 2213, for a Regional Transportation Center at Pioneer Park in Prescott.

There are 2 distinct fund allocations; however, DPS and the Arizona Department of Transportation (ADOT) are working cooperatively to maximize economies of scale and effort.

This project was brought before the Committee last month in order to receive approval for the land transfer, and to hire an Architectural & Engineering (A&E) firm. All control of the land and the Right of Way for such has now been resolved and is complete. An A&E firm (HDR Architects) has been commissioned to do the design and construction administration portions of the project. The construction documents have been completed and are currently out for bid. The bid date has been established as August 15, 2000. The amount appropriated for DPS is \$1,122,500, and ADOT is \$4,647,500 for a total construction budget of \$5,770,000.

The A&E firm has provided a cost estimate stating that they believe the DPS "base bid" should not exceed \$1,101,971, and the ADOT's base bid should not exceed \$4,232,615. These base bid estimates include furnishings, fixtures, equipment, and a contingency. In addition, we have some "add alternates" we hope to be able to include, which will enhance the project, if the bidding climate and prices allow. A&E estimates imply, with alternates, the overall project should not exceed a total of \$5,697,798.

It is our belief that the project will be able to proceed within the budget originally allocated. With this in mind, we would like to award as soon as possible and not delay award until the following JCCR meeting. By awarding the project on the earliest possible date, it will allow the construction of footings and foundations before freezing weather hits.

We respectfully request approval to proceed with a construction award of this project, with the understanding that costs will not exceed the appropriated amounts. Your review and approval of this request is greatly appreciated.

Sincerely,

for Dennis A. Garrett, Colonel
Director

cc: The Honorable Randall Gnant, JCCR
Richard Stavneak, JLBC
Tony Vidali, JLBC
Tom Betlach, OSPB

Dawn Nazary, OSPB
Charles Haverstick, ADOT
Rod Covey, DPS
Phil Case, DPS
Carl Tornambe, DPS

RATIONALE FOR COST ESTIMATE

ESTIMATE OF PROBABLE CONSTRUCTION COST



PROJECT

PIONEER PARK REGIONAL TRANSPORTATION CENTER PRESCOTT ARIZONA

Designer:

Laurence Hartman

Estimator:

Kelth Kothmann, cpe

AE project number:

00173-001-032

Project Location:

Commerce Drive Campus

Status of Design:

DESIGN DEVELOPMENT

Date of Report

7/12/2000 REVISED 7/21/00

Construction Start Date:

TBD

Cost Basis:

First Qtr. 2000

Construction Cost Limitation

\$5,777,000

SCOPE

Description

New Regional Transportation Facility

	Budget Amount		Estimate		Variance
DPS Total	\$	1,122,500	\$	1,101,971	\$ 20,529
<hr/>					
<hr/>					
Motor Vehicle Division			\$	2,368,088	
Intermodal Transportation District Office			\$	1,171,194	
ITD Materials Testing Lab			\$	1,052,732	
<hr/>					
ADOT Total	\$	4,647,500	\$	4,592,014	

Hazardous materials

None Anticipated

Building Type:

Load Bearing Exterior Wall Non-Combustible Single Story
Standing Seam Metal Roof, Commercial Standard Finishes

No. Buildings:

4

CRITERIA

Documents

99% Documents

Specifications, Design Analysis Narrative and Meeting Minutes

Format:

Labor and Material Detail Estimate

EXCLUSIONS

Design Fees, Owners Administrative Costs,

Relocation Costs, Owner furnished equipment

Opinion of Probable Cost

The opinion of probable project cost is made on the basis of information available and represents the judgements and experience of a certified professional cost estimator. However, the estimator has no control over the cost of labor, materials, equipment or services furnished by others, or over other market conditions, or over the methodology used by bidding contractors. The Engineer does not guarantee that proposals, or bids for construction will not vary from the opinion of probable cost.

To Carl Tornambe
DPS

From Larry Hartman *LH*

Date 7/26/00

Project Pioneer Park Regional Transportation Center - Prescott

HDR No. 00173-001-032

Subject Construction Cost Estimate



Attached is HDR's final cost estimate.

Total DPS Construction Budget (in accordance with our agreement) \$1,122,500

Total Estimate \$1,101,971

Estimate includes:

Furnishings, Fixtures, & Equipment	\$ 45,000
Construction Contingency (5%)	\$ 55,000
Bid Climate Contingency (2.5%)	\$ 87,874

Estimate excludes Bid Alternates which are itemized on Page 2

Subtracting FFE and Construction Contingency \$1,001,971
(This is the Base Bid estimate number)

Call if you have any questions.

Thanks

Cc: Ted Dick - DPS
File

Attachments

HDR Architecture, Inc.
8222 South 48th Street, Suite 220, Phoenix, Arizona 85044-5364
Phone 602-659-2200 Fax 602-659-2250

(817) 810-9132



512 MAIN STREET
FT. WORTH, TEXAS 76102

ALTERNATE BID ITEMS

PIONEER PARK
REGIONAL TRANSPORTATION CENTER
PRESCOTT ARIZONA

ENGINEERS

ESTIMATE
OF PROBABLE
COST

ALTERNATE BID ITEMS						DATE:	12-Jul-00
					ALTERNATE AMOUNT		
DPS-1	10 COVERED PARKING SPACES	ADD	1.	SUM	\$12,000.00		
DPS-2	ADD METAL SHED	ADD	1.	SUM	\$3,500.00		
DPS-3	CHANGE CHAIN LINK TO CMU	ADD	1.	SUM	\$51,187.00		
DPS-4	ADD METAL CANOPY	ADD	1.	SUM	\$5,650.00		
DPS-5	ADD CERAMIC TILE	ADD	1.	SUM	\$3,500.00		
DPS-6	CONSTRUCT GARAGE IN LIEU OF CANOPY	ADD	1.	SUM	\$58,250.00		
ADOT-1	CONSTRUCT SHELL SHOP BASED ON PRE-ENGINEERED BUILDING	ADD	1.	SUM	\$32,000.00		
ADOT-2	FINISH OUT SHOP BUILDING	ADD	1.	SUM	\$48,000.00		
ADOT-3	ADD COVERED PARKING	ADD	1.	SUM	\$28,800.00		
ADOT-4	ADD BUILDING PLAQUE 3 EA.	ADD	1.	SUM	\$8,000.00		
ADOT-5	ADD PARKING LOT	ADD	1.	SUM	\$24,500.00		
ADOT-6	ADD CHAIN LINK FENCE	ADD	1.	SUM	\$6,200.00		
ADOT-7	DEDUCT INSPECTION BAY AND CANOPY AT MVD	DEDUCT		SUM	\$76,525.00	(Bid documents show this as an additive alternate.)	
ADOT-8	MVD RAMADA	ADD	1.	SUM	\$5,100.00		

(817) 810-9132

DPS



512 MAIN STREET
FT. WORTH, TEXAS 76102

**PIONEER PARK
REGIONAL TRANSPORTATION CENTER
PRESCOTT ARIZONA**

ENGINEERS

ESTIMATE
OF PROBABLE
COST

DESCRIPTION:		DEPARTMENT OF PUBLIC SAFETY			DATE:	12-Jul-00
PROJECT NO.:		00173-001-032			ESTIMATOR:	K KOTHMANN
STATUS OF DESIGN		CONSTRUCTION DOCUMENTS			CHECKED BY	L. HARTMAN
SPEC.	DESCRIPTION	COST PER SQ. FT.				ESTIMATE TOTAL
			BSF 7880			
2002	SITE PREPARATION		\$3.49			\$27,506.25
2600	SITE UTILITIES		\$7.44			\$58,639.60
2100	PARKING AND WALKS		\$8.39			\$66,100.61
2700	SITE IMPROVEMENTS		\$5.66			\$44,623.00
3000	CONCRETE		\$4.30			\$33,872.10
4000	MASONRY		\$6.03			\$47,549.50
6000	ROUGH CARPENTRY		\$6.29			\$49,538.99
6500	FINISH CARPENTRY		\$0.92			\$7,265.00
7000	ROOFING & SHEET METAL		\$9.31			\$73,324.04
7500	THERMAL AND MOISTURE PROTECTION		\$1.38			\$10,858.80
8000	DOORS		\$4.31			\$33,945.86
8800	GLASS AND GLAZING		\$1.82			\$14,325.68
9000	DRYWALL AND ACOUSTICS		\$5.41			\$42,605.90
9200	FINISHES		\$2.55			\$20,108.10
9900	PAINTING		\$1.88			\$14,813.60
10000	SPECIALTIES		\$1.66			\$13,043.70
11000	EQUIPMENT		\$0.16			\$1,273.00
12000	FURNISHINGS		\$0.08			\$642.00
15000	FIRE PROTECTION		\$2.11			\$16,638.40
15100	PLUMBING		\$7.12			\$56,119.90
15500	HVAC		\$8.28			\$65,283.70
16000	ELECTRICAL		\$13.96			\$110,033.55
	BID CLIMATE CONTINGENCY	2.50%				\$20,202.78
	GENERAL CONDITIONS PRORATED					\$39,400.00
	TOTAL DIRECT COST		\$110.12			\$867,714.06
	HOME OFFICE OVERHEAD	4.5%				\$39,047.13
	SUB TOTAL					\$906,761.19
	PRIME CONTRACTOR FEE	9.0%				\$81,608.51
	BOND	1.5%				\$13,601.42
	TOTAL CONSTRUCTION CONTRACT					\$1,001,971.12
	FF&E BUDGET					\$45,000.00
	CONSTRUCTION CONTINGENCY					\$55,000.00
	TOTAL DPS PROJECT BASE BID		\$139.84			\$1,101,971.12

STATE OF ARIZONA

Joint Committee on Capital Review

STATE
SENATE

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1716 WEST ADAMS
PHOENIX, ARIZONA 85007

PHONE (602) 542-5491

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ANDY NICHOLS
CHRISTINE WEASON

DATE: August 8, 2000

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

THRU: Richard Stavneak, Director

FROM: Lorenzo Martinez, Senior Fiscal Analyst

SUBJECT: ARIZONA DEPARTMENT OF ADMINISTRATION - REPORT ON ACTIVE OFFICE
LEASE COSTS

Request

The Arizona Department of Administration (ADOA) is submitting the FY 2000 report of new office leases that exceeded \$16.50 per square foot. ADOA also reports that the Lease Cost Review Board (LCRB) has estimated the average per square foot cost for leasing privately owned space in FY 2002 and FY 2003 will be \$17.70 and \$18.25, respectively.

Recommendation

This item is for information only and no Committee action is required. Of the 106 leases approved by ADOA in FY 2000, 31 exceeded the \$16.50 per square foot estimate for private office space.

Analysis

Pursuant to A.R.S. § 41-792, the Director of ADOA and the LCRB are required to report on a biennial basis, all leases approved during the prior two fiscal years which exceeded the estimated average square foot cost for privately owned space. The Committee received the FY 1999 Active Office Lease Cost report at its September 1999 meeting (see memo and report behind agency submission). For FY 2000, the estimated average square foot cost was \$16.50. The report indicates that 31 leases approved in FY 2000 exceeded \$16.50 per square foot. Each of these leases is shown on the agency submission.

In FY 2000, ADOA approved a total of 106 leases. Of this total, the 31 mentioned above (29%) exceeded \$16.50. Altogether, there are 361 active leases that have been approved by ADOA. Of these, 62 leases (17%) exceed \$16.50. The 361 leases represent 2,746,668 square feet of space and \$39,657,815 in annual lease payments (\$14.44 per square foot).

(Continued)

The 31 leases exceeding \$16.50 generally reflect the lack of available space in non-metropolitan areas, the increasing cost of space in metropolitan areas, or the special terms of the lease. The following lists the 7 highest per square foot lease costs approved in FY 2000:

Agency	Location	Cost
Citizens Clean Elections Commission	Phoenix	\$35.20/sq. ft.
Department of Economic Security	Payson	\$25.34/sq. ft.
Department of Economic Security	Phoenix	\$22.27/sq. ft.
Department of Economic Security	Phoenix	\$21.69/sq. ft.
Department of Gaming	Flagstaff	\$21.30/sq. ft.
Department of Juvenile Corrections	Florence	\$20.50/sq. ft.
Department of Economic Security	Phoenix	\$20.30/sq. ft.

RS:LM:jb

JANE DEE HULL
Governor



J. ELLIOTT HIBBS
Director

ARIZONA DEPARTMENT OF ADMINISTRATION

OFFICE OF THE DIRECTOR
1700 WEST WASHINGTON • ROOM 601
PHOENIX, ARIZONA 85007

(602) 542-1500

July 25, 2000



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

Dear Representative Burns:

On behalf of the Lease Cost Review Board, I am submitting a listing and brief description of all the leases approved during Fiscal Year 2000 that exceeded the average square foot dollar cost of \$16.50. A.R.S. § 41-792 requires the Arizona Department of Administration to submit this report to the Joint Committee on Capital Review by August 1 of even-numbered years.

Thank you for your attention to this matter. Do not hesitate to contact me should you have any questions or concerns regarding this material. You may reach me (602 542-1500).

Sincerely,

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

J. Elliott Hibbs
Director

Attachments

cc: The Honorable Randall Gnant, Arizona State Senate
Tom Betlach, Director, Office of Strategic Planning & Budgeting
Richard Stavneak, Director, Joint Legislative Budget Committee
✓Lorenzo Martinez, Senior Fiscal Analyst, Joint Legislative Budget Committee

Arizona Department of Administration

General Services Division

July 1, 2000

AGENCY	ADDRESS	CITY	SQ. FT.	START DATE	END DATE	RENT/ SQ. FT.	ANNUAL RENT
Auditor General	2600 North 44th St., S#100	Phoenix	4,272	6/15/00	6/14/03	\$ 17.83	\$ 76,180
Citizens Clean Elections	4001 N. 3rd St., 2nd floor	Phoenix	3,436	4/1/00	3/31/05	17.58	60,397
Citizens Clean Elections	2929 N. Central Ave, Suite 1500/Office 1507	Phoenix	330	8/1/99	5/31/00	35.20	11,617
Corporation Commission	2501 N. 4th St., #14	Flagstaff	216	11/1/99	11/1/00	19.78	4,272
DES	1377 E. Florence Blvd., #151	Casa Grande	3,655	5/1/00	4/30/03	16.70	61,038
DES	318 N. Florence St	Casa Grande	9,871	5/1/00	4/30/05	17.20	169,810
DES	Dilkon Chapter Tract	Dilkon	2,160	4/1/00	3/30/05	18.46	39,870
DES	1255 W. Baseline	Mesa	20,528	9/1/99	8/31/04	17.70	363,346
DES	1845 S. Dobson Rd. #201 & 202	Mesa	3,014	12/1/99	11/30/04	17.85	53,800
DES	2222 S. Dobson Rd., S#202	Mesa	2,081	9/1/99	8/31/02	16.83	35,023
DES	2222 S. Dobson, S#1002	Mesa	2,203	4/1/00	3/31/03	16.83	37,077
DES	122 E. Highway 260 #140	Payson	1,386	11/1/99	10/31/04	25.34	35,127
DES	3122 E. Indian School Rd.	Phoenix	1,050	1/1/00	12/31/04	17.81	18,701
DES	3221 N. 16th St., Suite 200	Phoenix	7,375	3/1/00	10/31/04	16.62	122,573
DES	3225 N. Central Ave., #900, 901, 1000, 1411	Phoenix	25,381	9/1/99	8/31/04	18.50	469,548
DES	3443 N. Central Ave., #913	Phoenix	5,386	11/1/99	10/31/00	16.56	89,185
DES	4250 E. Camelback Rd., Bldg. K, S#260	Phoenix	2,018	9/1/99	8/31/02	19.00	38,342
DES	4520 N. Central Ave., #400	Phoenix	11,434	1/1/00	12/31/04	20.30	232,156
DES	6666 W. Peoria Ave.	Phoenix	6,085	10/30/99	10/30/00	18.19	110,702
DES	706 E. Bell Rd. #115	Phoenix	3,493	6/1/00	5/31/05	21.69	75,779
DES	8841 North 7th St. #B-30	Phoenix	4,862	3/1/00	2/28/05	17.59	85,505
DES	10900 N. Scottsdale Rd., S#300	Scottsdale	2,852	7/1/99	6/30/04	22.27	63,518
DES	5030 S. Price, #16 - 5022 S. Price, #18	Tempe	5,521	12/17/99	11/30/04	17.50	96,618
DES	5038 S. Price Rd. S#14	Tempe	25,761	12/1/99	11/30/04	17.00	437,937
Gaming	1016 W. University Ave.	Flagstaff	777	6/1/00	5/31/02	21.30	16,550
Juvenile Corrections	135 N. Pinal St.	Florence	120	5/1/00	4/30/01	20.50	2,460
Juvenile Corrections	555 W. Iron, #104	Mesa	4,111	10/1/99	9/30/04	16.83	69,188
Registrar of Contractors	17235 N. 75th Ave. #E-175	Peoria	2,599	9/1/99	8/31/07	19.38	50,369
Registrar of Contractors	581 Old Linden Rd.	Show Low	720	7/1/99	6/30/00	18.15	13,068
Revenue	2902 W. Agua Fria, #1020	Phoenix	21,000	9/1/99	8/31/06	17.28	362,880
Water Resources	500 N. Third St.	Phoenix	67,100	10/10/99	10/9/05	18.27	1,225,896

ARIZONA DEPARTMENT OF ADMINISTRATION
Explanation For FY-00 Leases In Excess Of \$16.50/SF Limit

AUDITOR GENERAL

2600 North 44th Street #100, Phoenix

This was a lease renewal for a satellite office. This office needs to be in proximity to their office located at 2910 N. 44th Street. The new lease rate is indicative of the submarket. It would not be prudent nor cost effective for the satellite office to move to another location. Rate approved at \$17.83 per square foot.

CITIZENS CLEAN ELECTIONS COMMISSION

4001 North 3rd Street, 2nd Floor, Phoenix

The Citizens Clean Elections Commission is a newly created agency. The need to be centrally located required the agency to occupy space in a submarket where rents are higher than the \$16.50 per square foot average approved by JCCR for FY-00. Rate approved at \$17.58 per square foot.

2929 North Central Avenue #1500, Phoenix

This new lease was executed on a temporary basis for a newly created agency. Given the short-term notice, it was imperative to seek space with all secretarial and telephone/answering services provided until a permanent office could be located. This space has since been terminated and the agency is now occupying space at their 3rd Street location. The high lease rate is attributable to the submarket's location and that these are executive spaces for additional services provided. Rate approved at \$35.20 per square foot.

CORPORATION COMMISSION

2501 North 4th Street #14, Flagstaff

Office space in the Flagstaff area is limited, with competitive Class B office space currently renting in the low \$20 per square foot, full service. This space was leased for the Utilities Consultant (Pipeline Safety Engineer), to provide prompt service for emergencies in the northern region of the state. Rate approved at \$19.78 per square foot.

DEPARTMENT OF ECONOMIC SECURITY

1377 E. Florence Blvd. #151, Casa Grande - Rate approved at \$16.70 per square foot.

318 North Florence Street, Casa Grande - Rate approved at \$17.20 per square foot.

DES needs to be geographically located to service the needs of the community. Comparable space centrally located in the Casa Grande area was limited. The current space meets all the needs of the number of clients they serve and it would not be cost effective to move. The facilities manager was unable to find space that would suit their requirements.

Dilkon Chapter Tract, Dilkon

This is a modular unit located on the Indian reservation. The lease rate, inclusive of utilities is \$14.01 per square foot. There is only one janitorial company in this community, resulting in the agency paying excessive fees for this service. The janitorial company charges an astronomical fee of \$9,600 annually or \$4.44 per square foot for this service, resulting in a high per square foot rent. Rate approved at \$18.46 per square foot.

1255 West Baseline Road, Mesa

This is a lease renewal and it was deemed not cost effective to relocate to another building within the geographic boundaries. The lease rate is within the current market for the Mesa area. Rate approved at \$17.70 per square foot.

ARIZONA DEPARTMENT OF ADMINISTRATION
Explanation For FY-00 Leases In Excess Of \$16.50/SF Limit

1845 South Dobson Road, #201 & 202, Mesa

This is new space that will house counselors working with students in the east Mesa community with the Rehabilitation Services Administration. This is another DES program that needs to remain within geographic boundaries. The lease rate is within the current market for the Mesa area. Rate approved at \$17.50 per square foot.

2222 South Dobson Road #202, Mesa - Rate approved at \$16.83 per square foot, full service.

2222 South Dobson Road #1002 Mesa - Rate approved at \$16.83 per square foot, full service.

These are lease renewals and it was not deemed cost effective to relocate to another building within the geographic boundaries. Furthermore, a search of the submarket did not produce any buildings suited to their requirements and the rates are within the current market for the Mesa area.

122 East Highway 260 #140, Payson

DES had intentions to increase the size of their existing space to accommodate two new FTE's. While negotiations were underway, the partnership owning the shopping center dissolved. The new owner wanted to raise the rent for the entire space including the expansion. Therefore, the agency elected not to consummate the expansion. Instead, they researched the market for space to accommodate two staff members and remain close to their existing space. Rate approved at \$25.34 per square foot.

3122 East Indian School Road, Phoenix

This is a lease renewal and it was deemed not cost effective to relocate to another building within the geographic boundaries. Furthermore, a search of the submarket did not produce any buildings suited to their requirements. Rate approved at \$17.81 per square foot.

3221 North 16th Street #200, Phoenix

This is a new lease, with a subsequent amendment, for the Vocational Rehabilitation office of DES. The executed rate is indicative of the submarket and the space suited the needs for programmatic requirements of DES. Rate approved at \$16.62 per square foot.

3225 North Central Avenue #900, 901, 1000, 1411, Phoenix

This is a lease renewal, which was executed at a competitive rate for the submarket. Rents in this submarket exceed the average \$16.50 per square foot rate approved by JCCR for private lease space. DES needs to remain within the geographic boundaries. Rate approved at \$18.50 per square foot.

3443 North Central Avenue #913, Phoenix

DES has occupied this space since 1992. Over the years, DES has invested in voice and data cabling. It would not be cost effective to relocate to another building, where rates are typically higher in this submarket. This is a one-year lease renewal, executed at a slightly lower rate than the preceding renewal. Rate approved at \$16.56 per square foot.

4520 North Central #400, Phoenix

This is new leased space for DES, Child Protective Services, 24-Hour Hot Line. The agency needed to expand and their existing location did not have the space available. This program needs to be centrally located. Rents for this central location exceed the average rate approved by JCCR. Another reason for the higher rent is due to the additional cost of configuring the HVAC system to provide heating and air conditioning on a 24-hour basis. Rate approved at \$20.30 per square foot.

ARIZONA DEPARTMENT OF ADMINISTRATION
Explanation For FY-00 Leases In Excess Of \$16.50/SF Limit

4250 East Camelback Road #K260, Phoenix

This is a lease renewal for space along the Camelback Corridor. Rents in this submarket are well in excess of the average rate approved by JCCR. DES needs to remain within this submarket to provide service for Employer Unemployment Insurance Contributions. The rate approved at \$19.00 per square foot is within the market for the area.

6666 West Peoria Avenue, Phoenix

DES has leased this space since 1992. This is a one-year lease renewal located in the northwest Phoenix area. The Job Service and Unemployment Insurance program is located at this site. The lease rate is within the current market rate for this submarket. The location is also perfect for programmatic requirements. Rate approved at \$18.19 per square foot.

706 East Bell Road #115, Phoenix

This is new space created for the Vocational Rehabilitation office. DES needs to remain within geographic boundaries to serve the needs of the community. Unfortunately, space is very limited in this submarket. Likewise, rents in the area are higher than the average approved rate. Since this is a new lease, the rate also reflects tenant improvements the landlord is providing for DES. Rate approved at \$21.69 per square foot.

8841 North 7th Street #B-30, Phoenix

This is a lease renewal to provide space for the Division of Developmental Disabilities Program. Rents in this submarket are well in excess of the average rate approved by JCCR. DES needs to remain within geographic boundaries to serve the needs of the community. This location is perfect for DES' programmatic requirements. Rate approved at \$17.59 per square foot.

10900 North Scottsdale Road #S-300, Scottsdale

This is a lease renewal for DES' Vocational Rehabilitation office. In addition to geographic requirements, this program needs to be located in a medical/office environment. This location along Scottsdale Road commands rents well in excess of the approved rate. DES had made a diligent effort to seek the most economical space during the initial lease. At the time of renewal, this space was still considered the best location for the program. Rate approved at \$22.27 per square foot.

5022 South Price Road #18 & 5030 South Price Road #16, Tempe

DES downsized staff and relocated to this space, which is close to their other program. This way, both programs can share telephone service. The leased rate for this space is within the submarket for Tempe. Furthermore, the agency needs to remain within geographic boundaries. Rate approved at \$17.50 per square foot.

5038 South Price Road #14, Tempe

This is an amendment to extend the lease term for another five years. The agency has been occupying this space since 1994. Given the size (25,761 SF) of the space, it would not be economical to relocate. Furthermore, the lease rate for this space is reflective of rents in the Tempe submarket and the agency needs to remain within geographic boundaries. Rate approved at \$17.00 per square foot.

DEPARTMENT OF GAMING

1016 West University Avenue, Flagstaff

The agency relocated from another location to this new space due to expansion. Office space in the Flagstaff area is limited, with competitive Class B office space currently renting in the low \$20 per square foot, full service. The agency made a diligent search for competitive space that would suit their needs. This space was the most economical and ideal location to serve the agency's needs. The lease rate includes the use of a 600-square foot conference room. Rate approved at \$23.62 square feet.

JUVENILE CORRECTIONS

135 North Pinal Street, Florence

This is a one-year renewal for space to accommodate one Parole Officer. Given the small amount of space required (120 SF), the agency was unable to secure space elsewhere, in a small community. The county was willing to lease space in their building for Juvenile Corrections. The rent includes the use of all office equipment and answering service. Rate approved at \$20.50 per square foot.

555 West Iron #104, Mesa

This is a new space to accommodate the needs of a Parole office that needs to be located in the Mesa area. The leased space was executed at \$16.50 per square foot. After rental taxes, the rate was approved at \$16.83 per square foot.

REGISTRAR OF CONTRACTORS

17235 North 75th Avenue #E175, Peoria

The agency needed to service the northwest area. Rents in this submarket generally exceed the average approved by JCCR for office space. This location served the needs of the agency. Rate approved at \$19.38 per square foot.

581 Old Linden Road, Show Low

Office space in the Show Low area is very tight. The agency elected to renew their lease due to the difficulty in securing another space and the high cost of rental rates. The base rent is \$10.00 per square foot. Including the cost of utilities and janitorial, the full service rate is \$15.65 per square foot. However, the landlord required the agency to also pay for common area maintenance charges, not to exceed \$2.50 per square foot. The lease rate was approved at \$18.15 per square foot.

DEPARTMENT OF REVENUE

2902 West Agua Fria #1020, Phoenix

The Department of Revenue needed to open an office in the northwest area to service the needs of a rapidly growing community. This is a new lease executed for space in a new office building. The higher lease rate is reflective of the submarket and the extensive tenant improvement allowances provided by the landlord. Rate approved at \$17.28 per square foot.

DEPARTMENT OF WATER RESOURCES

500 North 3rd Street, Phoenix

This is a lease renewal for space located in the downtown submarket. Rents in this submarket are typically higher than the \$16.50 per square foot approved rate. Given the large size of the agency, it would not be economical for them to relocate. Furthermore, to remain in this area, rent in a new space would still exceed the \$16.50 rate. Rate approved at \$18.27 per square foot.



STATE OF ARIZONA

Joint Committee on Capital Review

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CHRISTINE WEASON

DATE: August 31, 1999

TO: Senator Randall Gnant, Chairman
Members, Joint Committee on Capital Review

THRU: Richard Stavneak, Director *RS*

FROM: Lorenzo Martinez, Senior Fiscal Analyst *LM*

SUBJECT: REPORT ON ACTIVE OFFICE LEASE COSTS

Request

The Arizona Department of Administration (ADOA) presents the FY 1999 report of new office leases that exceed \$14.75 per square foot. The \$14.75 was the estimated average per square foot cost for private lease space in FY 1999. The Lease Cost Review Board (LCRB) has estimated the average cost for leasing privately owned space will be \$16.50 per square foot in FY 2000 and FY 2001.

Recommendation

No Committee action is required.

Analysis

Pursuant to A.R.S. § 41-792, the Director of ADOA is required to report all leases approved during the past fiscal year which exceed the estimated average square foot cost for privately owned space. Beginning with the next biennium, the report will be presented every two years to coincide with biennial budgeting.

For FY 1999, the estimated average square foot cost (established by the LCRB) was \$14.75. The director reports that there were 41 leases approved in FY 1999 that exceed this level. Each of these leases is shown in the attachment.

The statutory reporting requirement only concerns leases above the estimated average cost approved in the past fiscal year; however, it is useful to understand the larger context. In FY 1999, ADOA approved a total of 90 leases. Of this total, the 41 mentioned above (46%) exceed \$14.75. Altogether, there are 308 active leases that have been approved by ADOA. Of these, 115 leases (37%) exceed \$14.75. The 308 leases represent 2,369,205 square feet of space and \$32,350,927 in annual rent (\$13.65 per square foot).

(Continued)

The 41 leases exceeding \$14.75 generally reflect the lack of available space in non-metropolitan areas, the increasing cost of space in metropolitan areas, or the special terms of the lease. The following lists the 10 highest per square foot lease costs approved in FY 1999:

Department of Gaming	Flagstaff	\$25.60/sq.ft.
Department of Commerce	Taipei	\$24.88/sq.ft.
Department of Economic Security	Fredonia	\$24.00/sq.ft.
Department of Emergency & Military Affairs	Tempe	\$24.00/sq.ft.
Department of Juvenile Corrections	Florence	\$20.50/sq.ft.
Department of Economic Security	Tucson	\$18.58/sq.ft.
State Lottery Commission	Tucson	\$18.55/sq.ft.
Department of Health Services	Phoenix	\$18.54/sq.ft.
Corporation Commission	Flagstaff	\$18.06/sq.ft.
Registrar of Contractors	Mesa	\$17.56/sq.ft.

The LCRB has estimated that the cost of new state leases for private office space will average \$16.50 per square foot in FY 2000 and FY 2001. The actual average of new leases signed in FY 1999 was \$14.10.

RS:LM:jb

Jane Dee Hull
Governor



J. Elliott Hibbs
Director

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

July 28, 1999

JUL 29 1999
JOINT BUDGET
COMMITTEE

The Honorable Senator Randall Gnant, Chairman
Joint Committee on Capital Review
Arizona House of Representatives
1700 West Washington
Phoenix, Arizona 85007

Dear Senator Gnant:

On behalf of the Lease Cost Review Board and pursuant to A.R.S. 41-792, we are submitting to the Joint Committee on Capital Review a listing of all leases approved during Fiscal Year 1999 which exceeded the average approved square foot dollar cost of \$14.75.

Sincerely,

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

J. Elliott Hibbs
Director

Sincerely,

A handwritten signature in cursive script, appearing to read "Robert Teel".

Robert Teel, Chairman
Lease Cost Review Board

Attachments

cc: Richard Stavneak, Director, JLBC
Tom Betlach, Director, OSPB
File

LEASES FISCAL YEAR 99

<u>AGENCY</u>	<u>ADDRESS</u>	<u>CITY</u>	<u>SQ. FT.</u>	<u>RENT PER SQ. FOOT</u>	<u>ANNUAL RENT</u>	<u>START</u>	<u>EXPIRES</u>
1 AHCCCS	700 East Jefferson, 2nd Floor	Phoenix	1,975	\$16.02	\$31,640	3/1/99	2/29/2004
2 AHCCCS	920 East Madison, Suite D, E	Phoenix	13,913	\$17.15	\$238,656	10/1/98	8/31/2006
3 Commerce	5, Hsin Yi Road, Section 5	Taipei	872	\$24.88	\$21,696	7/1/98	6/30/99
4 Corporation	2501 N. 4th St., #14	Flagstaff	216	\$18.06	\$3,900	7/1/98	6/30/99
5 Corrections	320 N. Leroux	Flagstaff	760	\$15.80	\$12,000	7/1/98	6/30/99
6 Corrections	2005 North Central Avenue	Phoenix	20,580	\$15.79	\$325,051	1/12/99	6/30/2004
7 DES	4020 N. 20th St, Ste 105, 108	Phoenix	13,994	\$16.17	\$226,315	7/1/98	6/30/2003
8 DES	1700 E. Broadway	Tucson	12,468	\$16.24	\$202,480	8/1/98	7/31/2002
9 DES	397 Malpais Lane	Flagstaff	15,701	\$17.36	\$272,537	1/1/99	12/31/2002
10 DES	3443 N. Central Ave.,	Phoenix	62,910	\$15.32	\$963,467	5/1/99	4/30/2004
11 DES	432 S. Williams Blvd. #200	Tucson	4,163	\$15.50	\$64,527	9/15/98	9/30/2001
12 DES	23341 South 1st Street	San Luis	8,400	\$15.73	\$132,120	10/1/98	9/30/2003
13 DES	3001 W. Indian School	PHOENIX	4,842	\$14.78	\$71,543	2/1/99	4/30/99
14 DES	1270 E. Broadway, #120 &	Tempe	2,366	\$15.84	\$37,480	1/1/99	12/31/2001
15 DES	3443 N. Central, #708 & 710	Phoenix	4,521	\$15.79	\$71,407	5/31/99	6/30/2001
16 DES	3443 N. Central Ave., #1017	Phoenix	2,155	\$15.79	\$34,037	6/30/99	6/30/2000
17 DES	250 S. Toole	Tucson	20,000	\$15.75	\$315,000	6/15/99	6/30/2004
18 DES	430 N. Dobson	Mesa	5,728	\$15.07	\$86,326	7/1/98	6/30/2003
19 DES	13450 N. Black Canyon,	Phoenix	20,000	\$16.08	\$321,628	8/1/98	7/31/2001
20 DES	100 N. Stone, S#500	Tucson	8,634	\$15.81	\$136,506	9/1/98	8/31/2001
21 DES	819 N. US Hwy 89A	Page	2,837	\$16.67	\$47,292	9/1/98	8/31/2003
22 DES	1555 N. Ironsprings Rd.	Prescott	3,130	\$14.92	\$46,699	11/1/98	1/31/2003
23 DES	4201 N. 16th St:	Phoenix	1,628	\$16.05	\$26,128	12/1/98	11/30/2003
24 DES	55 N. 6th Ave.	Tucson	16,997	\$15.50	\$263,454	10/21/98	6/30/99

LEASES FISCAL YEAR 99

	<u>AGENCY</u>	<u>ADDRESS</u>	<u>CITY</u>	<u>SQ. FT.</u>	<u>RENT PER SQ. FOOT</u>	<u>ANNUAL RENT</u>	<u>START</u>	<u>EXPIRES</u>
25	DES	3443 N. Central, S.913	Phoenix	5,386	\$17.07	\$91,930	11/1/98	10/31/99
26	DES	1220 S. 4th Avenue	Yuma	13,490	\$15.85	\$213,838	1/1/99	12/31/2004
27	DES	52 B State Highway 264	Window Rock	5,200	\$15.00	\$78,000	5/1/99	4/30/2004
28	DES	5800 West Glenn	Glendale	5,574	\$16.50	\$91,970	6/1/99	5/31/2004
29	DES	22 East Mitchell, Suites 103,	Phoenix	2,840	\$14.79	\$42,000	4/1/99	3/31/2002
30	DES	100 East Cowboy	Fredonia	100	\$24.00	\$2,400	4/1/99	3/31/2002
31	DES /Division of	7750 E. Broadway	Tucson	13,940	\$18.58	\$259,018	10/1/98	12/31/98
32	DPS	3030 N. Central, S#1550	Phoenix	5,500	\$17.00	\$93,500	8/1/98	7/31/2003
33	Emergency & Military	8830 S. Kyrene, #D-104	Tempe	1,300	\$24.00	\$31,200	12/1/98	10/31/2001
34	Environmental Quality	1515 East Cedar	Flagstaff	3,260	\$16.36	\$53,340	5/25/99	6/30/2001
35	Environmental Quality	202 East Earl Drive, Suite 190	Phoenix	1,600	\$16.47	\$26,358	2/15/99	2/14/2004
36	Gaming	1300 South Milton Road, Suite	Flagstaff	341	\$25.60	\$8,730	3/1/99	3/1/2000
37	Health Services	2700 N. 3rd Street	Phoenix	17,706	\$18.54	\$328,215	2/1/99	1/31/2004
38	Insurance	3443 N. Central, S#1000	Phoenix	2,471	\$15.79	\$39,028	6/17/99	4/14/2003
39	Juvenile Corrections	135 N. Pinal Street	Florence	120	\$20.50	\$2,460	5/1/99	4/30/2000
40	Lottery	4010 E. Grant Rd.	Tucson	3,080	\$18.55	\$57,134	12/4/98	8/30/2003
41	Registrar of	2222 S. Dobson, Suite 101	Mesa	2,154	\$17.56	\$37,829	12/1/98	6/30/2004
	GRAND TOTAL			332,852		\$5,408,838		
				Average Rent per Square Foot		\$16.25		

STATE OF ARIZONA

Joint Committee on Capital Review

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CHRISTINE WEASON

DATE: August 3, 2000

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

THRU: Richard Stavneak, Director

FROM: Gina Guarascio, Fiscal Analyst

SUBJECT: DEPARTMENT OF HEALTH SERVICES/ARIZONA DEPARTMENT OF
ADMINISTRATION - REPORT ON ARIZONA STATE HOSPITAL
CONSTRUCTION PROJECT

Request

Pursuant to Laws 2000, Chapter 1 the Arizona Department of Administration (ADOA) and the Department of Health Services (DHS) are providing a quarterly status report on the Arizona State Hospital (ASH) demolition and construction project.

Recommendation

This report is for information only and no Committee action is required. The ASH project is currently on schedule with expected occupancy of the new civil hospital and adolescent facility in 2003.

Analysis

Background

Laws 2000, Chapter 1 appropriated \$20,000,000 a year over 4 years from the Budget Stabilization Fund (BSF) for the demolition, renovation and construction of the Arizona State Hospital. Chapter 1 requires that the BSF be repaid from tobacco settlement monies received by the state. ADOA is to use the appropriations to provide at least 176 new civil beds at ASH, and to renovate and expand existing facilities to address physical plant needs for civil and forensic populations, an adolescent unit, and sexually violent offenders.

The project is subject to review by the JCCR, including review of the request for proposals, and review of the entire plan before construction begins. ADOA and DHS are required to report at the end of each quarter to the Committee on the status of the Arizona State Hospital project. This report represents the second of these quarterly reports.

(Continued)

Progress

During the quarter, ADOA received responses to Phase 1 of the Request for Proposal (RFP) process. Phase 1 involved the request for submissions detailing qualifications from design-build teams for construction of the new civil hospital and adolescent facility. From these submissions, ADOA developed a list of the three most qualified teams, and has now issued Phase 2 of the RFP (based on fixed price/best quality criteria) to those three teams. JCCR will review the RFP in greater detail at its September meeting. Responses to the RFP are due from bidders on November 6, 2000.

Design is currently underway for the use of Birch Hall for the Least Restrictive Alternative (LRA) program for the Sexually Violent Persons (SVP) population. At the last meeting, JCCR favorably reviewed beginning the design process for the conversion of Birch Hall for use by the LRA program. The Alamo facility at the north end of ASH currently houses the LRA program. However, Alamo is within the proposed area of the new civil hospital and will likely be demolished. Birch Hall currently houses Family Health personnel, but will move these personnel to new offices by October 2000.

Excavation has begun on Phase 3 of the Arizona Community Protection Treatment Center. The two 60-bed buildings will be completed sequentially, with expected completion by August 2001. This will bring the total number of beds available for the SVP program to 240. The SVP program currently has a population of approximately 120 and is averaging a monthly growth of 5.

ADOA has completed design of the demolition plan at the new hospital site, and demolition of several unoccupied buildings is scheduled for late July. Design of the tunnel and utility re-routing is on schedule, and the evaluation of the central power plant is complete. As expected, the evaluation revealed necessary ungrading and repairs. JCCR favorably reviewed an expenditure plan to fund these infrastructure repairs at its last meeting. Asbestos abatement of unoccupied buildings is scheduled to be complete in August.

RS:GG:jb
Attachment



JANE DEE HULL
GOVERNOR

J. ELLIOTT HIBBS
DIRECTOR

ARIZONA DEPARTMENT OF ADMINISTRATION
GENERAL SERVICES DIVISION • 15 S. 15th Ave., Suite 101
PHOENIX, ARIZONA 85007
(602) 542-1920

July 27, 2000

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

JUL 27 2000

RE: Arizona State Hospital Quarterly Report

Dear Representative Burns:

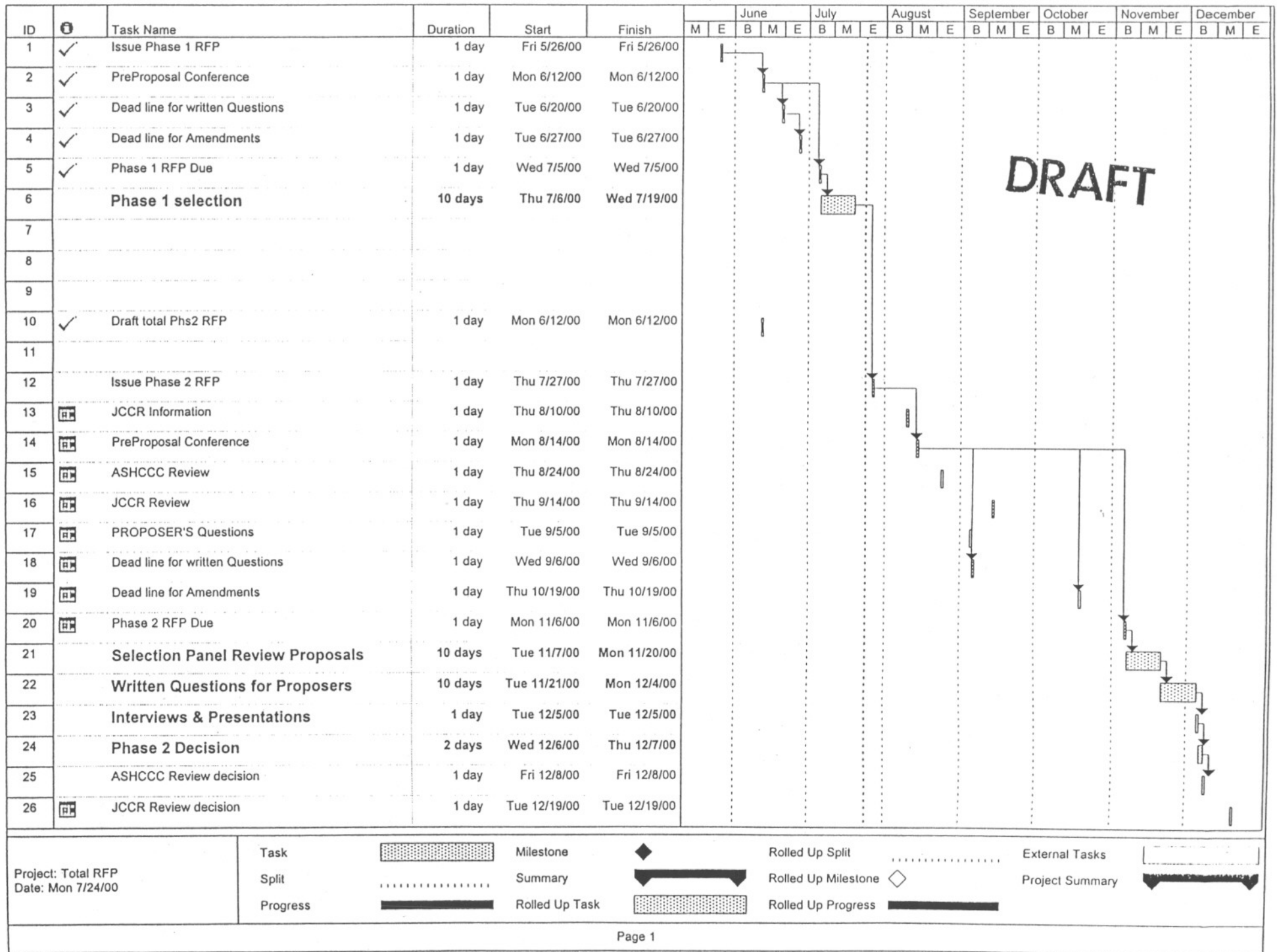
In accordance with Laws 2000, Chapter 1, First Regular Session, ADOA and ADHS are required to report to the JCCR regarding procurement procedures for design and construction of the Arizona State Hospital. Information on the progress of abatement and demolition is provided along with other related activities:

1. Abatement of the unoccupied buildings in the northwest quadrant is scheduled to be complete by August 10, 2000.
2. Phase 1 of design-build procurement for the Civil Hospital and Adolescent facility has been completed. The Arizona State Hospital Capital Construction Commission has granted a favorable review of the process used and the selection of 3 qualified design-build teams to receive phase 2 of the RFP.
Copies of Phase 2 RFP will be issued to JCCR, the Arizona State Hospital Capital Construction Commission and JLBC staff on July 28, 2000. RFP reviews will be requested from ASHCCC on August 24, 2000 and JCCR on September 14, 2000.
Phase 2 proposals are due on November 6, 2000. ADOA will return in December to the ASHCCC and JCCR for final reviews. Attached is a copy of the RFP schedule.
3. Design of the demolition plan at the site for the new civil hospital is complete and demolition is scheduled for late July.
4. Design of tunnel abandonment and utility rerouting is on schedule and the evaluation of the central power plant is complete.
5. Design of the Birch Hall renovation is proceeding on schedule.
6. Arizona Community Protection Treatment Center Phase 3 work has begun with the Inmate Construction Program.

Sincerely,


Robert C. Teel
Assistant Director

c: The Honorable Randall Grant, Arizona State Senate
Tom Betlach, Director, OSPB
Richard Stavneak, Staff Director, JLBC
Lorenzo Martinez, JLBC
Elliott Hibbs, Director, ADOA
Bruce Ringwald, General Manager, ADOA, Construction Services
Catherine R. Eden, Director, ADHS
Leslie Schwalbe, Deputy Director, ADHS
Danny Valenzuela, Deputy Director, ADHS
Jack Silver, Superintendent, ASH
Walter Scott, Chief Operating Officer, ASH
Gene Messer, Director, Arizona Community Protection Treatment Center
Maria Black, Administrator, DHS



STATE OF ARIZONA

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ANDY NICHOLS
CHRISTINE WEASON

DATE: August 3, 2000

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

THRU: Richard Stavneak, Director

FROM: Chris Earnest, Senior Fiscal Analyst

SUBJECT: ARIZONA STATE PARKS – REPORT ON STATUS OF DEVELOPMENT
PROJECTS AT STATE PARKS

Request

At its May 2000 meeting, the Committee requested a report on the status of development at all state parks. Pursuant to this request, State Parks is providing information on their development priorities from their Capital Improvement Program request for FY 2002 and FY 2003.

Recommendation

This item is for information only and no Committee action is required. State Parks has provided information on 21 projects at various state parks.

Analysis

The information submitted by Parks staff (attached) lists and prioritizes 21 capital development projects at various state parks. These projects, which are planned for FY 2002 and FY 2003, have a total estimated cost of \$16,210,000. The primary funding sources for the projects are the Arizona Heritage Fund and the State Lake Improvement Fund (SLIF). The projects include:

- Tonto Natural Bridge: Improvements at this state park include the design and construction of a wastewater treatment facility, modifications to the historic lodge, an improved fire suppression system, construction of 2 restroom buildings, and various trail and site improvements. Estimated cost of these improvements is \$1.65 million from the Heritage Fund and \$150,000 the General Fund. Proposed funding from the General Fund will be reviewed by JLBC Staff in developing the FY 2002 and FY 2003 Capital Outlay budget.
- Kartchner Caverns: As reviewed by the Committee in May, this project is the completion of the lower caverns, estimated to cost \$2 million from the State Parks Enhancement Fund (SPEF).

(Continued)

- Slide Rock: This project includes the construction of a visitor center and wastewater treatment plant. Estimated cost is \$2 million from SPEF. Because A.R.S. § 41-511.11 requires JCCR to approve capital expenditures from SPEF, State Parks will need to present additional information to the committee prior to initiating this project.
- San Rafael: In 1999, State Parks acquired a conservation easement to the San Rafael Ranch in southern Arizona. It is intended that the main ranch house be used as a visitor and interpretation center. Parks Staff estimate \$250,000 from the Heritage Fund is necessary to assess, design, and renovate the house.
- Various Parks: Additional work is needed to bring several parks into compliance with the American's with Disabilities Act and with Department of Environmental Quality water and wastewater standards. The estimated cost of these projects is \$700,000 from the Heritage Fund and SLIF.

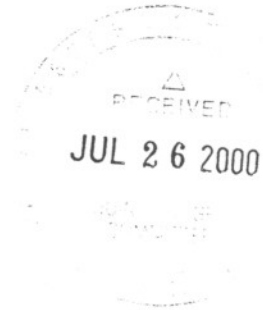
The attached material provides additional detail on each project.

RS:CE:jb
Attachment



July 26, 2000

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



RE: Status of Development Projects at State Parks

Jane Dee Hull
Governor

Dear Representative Burns:

State Parks
Board Members

Chair
Vernon Roudebush
Safford

Walter D. Armer, Jr.
Benson

Suzanne Pfister
Phoenix

Joseph H. Holmwood
Mesa

John U. Hays
Yarnell

Sheri J. Graham
Sedona

Michael E. Anable
State Land
Commissioner

Kenneth E. Travous
Executive Director

Arizona State Parks
1300 W. Washington
Phoenix, AZ 85007

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

800.285.3703
toll free (520) area code

General Fax:
602.542.4180

Director's Office Fax:
602.542.4188

Pursuant to Representative Dean Cooley's request for a report on the status of development at all state parks, JLBC staff has requested that Arizona State Parks (ASP) provide an informational report to all members of the JCCR. ASP Staff is in the midst of preparing a master plan for each park, which will provide a better understanding of the current facilities at each park as well as current and proposed future development projects.

As the Master Plan report will not be ready until September, ASP staff have provided JLBC staff with our Capital Improvement Program (CIP) Request Fiscal Years 2002-2003. This report, approved by the ASP Board in May, provides a listing of development projects over the next few years for all state parks. The CIP provides a short-term response to Representative Cooley's request.

The Master Plan report will provide both the short-term and long-term response and ASP staff look forward to presenting this report to the JCCR. With the decline of Heritage Fund revenues in FY 2000 and the passage of Laws 2000, Chapter 127 allowing the JCCR to approve the use of Enhancement Fund monies for development of our other parks, ASP staff is currently reevaluating development priorities as part of the Master Plan process. Therefore, some changes may be made in regards to the priority of certain projects.

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

Sincerely,

Kenneth E. Travous
Executive Director

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

STATE OF ARIZONA
FY 2002 CAPITAL IMPROVEMENT PLAN
FY 2002-2003 TWO YEAR CAPITAL PLAN

Form
CIP-2
(Rev 3/98)

Agency: Arizona State Parks

Priority	Project Name	Project Description	Fund Sources	Total Costs
1	Tonto Natural Bridge Build-out Phase I	Water & wastewater treatment plants, modify lodge, trail construction & site improvements	AHF A&D & AHF TRAILS	925,500
2	Tonto Fire Suppression & Water Storage	Construct a large capacity water tank & distribution system	GENERAL FUND	150,000
3	Kartchner Lower Cave Trail	Design & continued const. of lower cave chamber trail	ENHANCEMENT FUND	2,000,000
4	San Rafael Ranch House Renovation	Provide a Building Condition Assessment report, design & renovation	AHF A&D & HIST. PRES.	250,000
5	Tonto Natural Bridge Build-out Phase II	Design & construction of 2 restroom bldgs., trail const. & site improvements	AHF A&D & AHF TRAILS	725,500
6	Yuma Prison & Crossing	Restore portion of Caliche Hill, reconstruction of New Yard & renovate Storehouse	AHF A&D & HIST. PRES.	450,000
7	Slide Rock Build-out	Design & construct visitor center, wastewater treatment plant & restoration	ENHANCEMENT FUND	2,000,000
8	Jerome SP Mansion Rehabilitation	Repair & repainting of the Mansion exterior stucco & replace wood trim	GENERAL FUND	150,000
9	State Parks	ADA Compliance	AHF A&D & SLIF	350,000
10	State Parks	ADEQ Compliance	AHF A&D & SLIF	350,000
11	State Parks	Construction Services Projects	AHF A&D & SLIF	70,000
12	State Parks	Improvements - Unforeseen projects and emergency repairs	AHF A&D & SLIF	916,000
13	State Parks	Materials Fund	AHF A&D & SLIF	300,000
14	State Parks	Planning Services	AHF A&D	93,000
15	State Parks	Park Land Acquisition and Planning	AHF A&D & SLIF	800,000
16	State Parks	Cultural Site Clearance	AHF A&D & SLIF	60,000
17	State Parks	Environmental Site Clearance	AHF A&D & SLIF	60,000
18	State Parks	Natural Areas Land Acquisition	AHF NAT. AREAS	3,400,000
19	State Parks	Boating Parks Equipment	SLIF	300,000
20	Buckskin Mtn. SP Bank Protection	Construction of "cut-off walls" & stabilization to river banks, to minimize further erosion	SLIF	1,430,000
21	Buckskin Mtn. River Island Parkwide Impr.	Design/construct restroom/shower bldg., utility extensions, site improvements & stabilization	SLIF	1,430,000
TOTAL:				16,210,000

STATE OF ARIZONA
FY 2002 TWO YEAR CAPITAL IMPROVEMENT PLAN
FY 2002 TWO YEAR CAPITAL PROJECT DESCRIPTION

Form
CIP 4
(Rev 3/08)

Agency: ARIZONA STATE PARKS

Project: Tonto Natural Bridge State Park Build-out Phase II

Priority: 5

- 1 This project provides for the design and construction of two restroom buildings, trail construction and site improvements. All improvements are essential to the operation of the park and protection of the environment at Tonto Natural Bridge State Park.
- 2 Tonto Natural Bridge State Park is the site of this project.
- 3 These improvements will provide restrooms, improved trails and facilities for our visitors.
- 4 Failure to complete this project will result in inadequate sanitary facilities and limited use of the trail system.
- 5 All improvements have been listed in the park's master plan. The successful completion of these projects will result in a vast improvement in how the park is utilized, maintained and increase resource protection.
- 6 Estimates were developed by agency staff using pricing for similar projects at this and other state parks.
- 7 Project is listed for funding in FY 2003. Estimated cost: \$725,500 (\$25,000 AHF Trails and \$700,500 AHF A&D)

STATE OF ARIZONA
FY 2002 TWO YEAR CAPITAL IMPROVEMENT PLAN
FY 2002 TWO YEAR CAPITAL PROJECT DESCRIPTION

Form
CIP-4
(Rev 3/98)

Agency: **ARIZONA STATE PARKS**

Project **Yuma Territorial Prison and Yuma Crossing State Historic Parks Improvements**

Priority **6**

- 1 This project provides design and construction at these two parks. Improvements include the stabilization of Caliche Hill, reconstruction of the New (South) Yard wall and a new maintenance building at the Prison. The repair and/or renovation of the interior to the Storehouse's west wing and various site improvements at the Yuma Crossing Park.
- 2 Yuma Territorial Prison and Yuma Crossing State Historic Parks are the sites of this project.
- 3 These improvements will help arrest and/or mitigate the effects of deterioration on these historic areas and buildings and provide new interpretive opportunities.
- 4 Failure to complete this project will result in the continued deterioration of these structures. The loss of historic fabric is irreversible.
- 5 These structures are included in each park's master plan and constitute public attractions and exhibit areas.
- 6 Estimates were developed by agency staff using pricing for similar projects at these and other state parks.
- 7 Project is listed for funding in FY 2003. Estimated Cost: \$450,000 (\$300,000 AHF A&D and \$150,000 AHF Hist. Pres.)

STATE OF ARIZONA
FY 2002 TWO YEAR CAPITAL IMPROVEMENT PLAN
FY 2002TWO YEAR CAPITAL PROJECT DESCRIPTION

Form
CIP-4
(Rev 3/98)

Agency: ARIZONA STATE PARKS

Project Slide Rock State Park - Build-out

Priority 7

- 1 This project provides for the design and construction of a visitor center and its exhibits, the design and construction of a wastewater treatment plant, the retrofitting of the existing restroom building and the stabilization and/or restoration of various historic buildings.
- 2 The location of this project is Slide Rock State Park.
- 3 Arizona State Parks has already considered the existing options to resolve the problem and is facing the need for a state of the art wastewater treatment facility for this Oak Creek Canyon site. The existing restroom cannot handle the number of current users and has to be shut down during peak operation. The construction of a visitor center and restoration of the historic buildings provides additional interpretive opportunities.
- 4 Failure to pursue this project can result in park closures and the loss of historic fabric.
- 5 These improvements are scheduled on facilities listed in the park's master plan.
- 6 Cost estimates were developed by staff using pricing on similar projects at this and other state parks.
- 7 Project is listed for funding in FY 2003. Estimated Cost: \$2,000,000 (\$2,000,000 Enhancement Fund)

STATE OF ARIZONA
FY 2002 TWO YEAR CAPITAL IMPROVEMENT PLAN
FY 2002 TWO YEAR CAPITAL PROJECT DESCRIPTION

Form
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(Rev 3/98)

Agency: **ARIZONA STATE PARKS**

Project **Jerome State Historic Park - Mansion Rehabilitation**

Priority **8**

- 1 This project provides for the stabilization, repair and repainting of the Mansions exterior stucco and finishes. Also includes replacement of the weathered wood trim and windows.
- 2 This project is located at Jerome State Historic Park and is limited to the Mansion and adjacent Carriage House.
- 3 This project is necessary to stop further deterioration of the historic structures.
- 4 Failure to complete this project will result in the eventual loss of these beautiful historic buildings.
- 5 This project is listed in the park's master plan and statement of management.
- 6 Estimates were developed by agency staff using pricing for similar projects at other state parks.
- 7 Project is listed for funding in FY 2003. Estimated Cost: \$150,000 (\$150,000 General Fund)

STATE OF ARIZONA
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FY 2002 TWO YEAR CAPITAL PROJECT DESCRIPTION

Form
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Agency: ARIZONA STATE PARKS

Project: State Parks - ADA Compliance

Priority: 9

- 1 This program enables ASP to systematically retrofit or replace the agency's existing facilities or to construct new ones. This will ensure the agency's compliance with the current American's with Disabilities Act (ADA).
- 2 This program shall be accessible to all properties managed by Arizona State Parks.
- 3 The primary use of these funds is to ensure the maximum use of facilities and protection of the resource while complying with all applicable state and federal laws.
- 4 Failure to fund this program could result in the closure of the parks due to non-compliance with applicable laws.
- 5 All improvements undertaken by this program shall be applied to facilities that are included in the respective property's master plans and/or statement of management.
- 6 Estimates for this program are based on historic rates of expenditure and the agency's ability to manage the numerous projects that this program funds.
- 7 Project is listed for funding in FY 2002 and 2003. Estimated cost: \$350,000 (\$150,000 AHF A&D and \$200,000 SLIF).

STATE OF ARIZONA
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FY 2002 TWO YEAR CAPITAL PROJECT DESCRIPTION

Form
CIP-4
(Rev 3/08)

Agency: **ARIZONA STATE PARKS**

Project **State Parks - ADEQ Compliance**

Priority 10

- 1 This program will enable Arizona State Parks to systematically retrofit, repair, replace or provide for the testing of the agency's water and wastewater systems. This will ensure compliance with current Arizona Environmental Quality standards. This is an on-going program allowing the agency to address future needs.
- 2 This program shall be accessible to all properties managed by Arizona State Parks.
- 3 The primary use of these funds is to ensure the maximum use of facilities and protection of the resource while complying with all applicable state and federal laws.
- 4 Failure to fund this program could result in the closure of the park due to non-compliance with applicable laws.
- 5 All improvements undertaken by this program shall be applied to facilities that are included in the respective property's master plan and/or statement of management.
- 6 Estimates for this program are based on historic rates of expenditure and the agency's ability to manage the numerous projects that this program funds.
- 7 Project is listed for funding in FY 2002 and 2003. Estimated Cost: \$350,000 (\$150,000 AHF A&D and \$200,000 SLIF).

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FY 2002 TWO YEAR CAPITAL PROJECT DESCRIPTION

Form
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Agency: **ARIZONA STATE PARKS**

Project **STATE PARKS - Construction Services Projects**

Priority **11**

- 1 This program provides funding for force account projects undertaken by the agency's Construction Services Crew. This crew is responsible for the construction of various in-house small projects. This is an on-going program allowing the agency to address current and future needs.
- 2 This program shall be accessible to all properties managed by Arizona State Parks.
- 3 The primary use of these funds is to maximize the cost effectiveness of dollars expended on small, but complex projects.
- 4 Failure to fund this program could result in less accomplished with more expenditure of dollars, as the type of projects that are included in this program tend to be very expensive when bid. This process is much more cost effective.
- 5 All improvements undertaken by this program shall be applied to facilities that are included in the respective property's master plan and/or statement of management.
- 6 Estimates for this program are based on historic rates of expenditure and the agency's ability to manage the numerous projects that this program funds.
- 7 Project is listed for funding in FY 2002 and FY 2003. Estimated Cost: \$70,000 (\$30,000 AHF A&D AND \$40,000 SLIF).

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FY 2002 TWO YEAR CAPITAL PROJECT DESCRIPTION

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Agency: **ARIZONA STATE PARKS**

Project **State Parks - Improvements**

Priority **12**

- 1 This program provides funding for unforeseen project needs, to cover cost over-runs and to fund emergency repairs.
- 2 This program shall be accessible to all properties managed by Arizona State Parks.
- 3 The primary use of these funds is to maximize the cost effectiveness of dollars expended on small, but complex projects or emergency repairs.
- 4 Failure to fund this program could result in the agency's inability to react to emergency projects, missed opportunities when they arise and ineffective project management.
- 5 All improvements undertaken by this program shall be applied to facilities that are included in the respective property's master plan and/or statement of management.
- 6 Estimates for this program are based on historic expenditure for these types of projects , in addition to the agency's ability to manage the number of projects this program funds.
- 7 Project is listed for funding in FY 2002 and FY 2003. Estimated Cost: \$916,000 (\$416,000 AHF A&D and \$500,000 SLIF).

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FY 2002 TWO YEAR CAPITAL PROJECT DESCRIPTION

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(Rev 3/00)

Agency: **ARIZONA STATE PARKS**

Project State Parks - Materials Fund

Priority 13

- 1 This program provides funding to our state parks for the purchase of construction materials on projects of limited size and scope. These projects are primarily accomplished by park personnel or volunteers. This results in the enhancement of a park's appearance. This is an on-going program allowing the agency to address current and future needs.
- 2 This program shall be accessible to all properties managed by Arizona State Parks.
- 3 The primary use of these funds is to maximize the cost effectiveness of dollars expended on small projects that can be accomplished by staff and/or volunteers.
- 4 Failure to fund this program could result in a poor expenditure of dollars as the type of projects that are included in this fund tend to be very expensive when bid. This process is much more cost effective.
- 5 All improvements undertaken by this program shall be applied to facilities that are included in the respective property's master plan and/or statement of management.
- 6 Estimates for this program are based on historic rates of expenditure and the agency's ability to manage the numerous projects that this program funds.
- 7 Project is listed for funding in FY 2002 and 2003. Estimated Cost: \$300,000 (\$100,000 AHF A&D and \$200,000 SLIF).

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FY 2002 TWO YEAR CAPITAL PROJECT DESCRIPTION

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Agency: **ARIZONA STATE PARKS**

Project **State Parks - Planning Services**

Priority **14**

- 1 This program provides for an existing planner's position within the Development Section. The planner's responsibilities include project management, technical support and facility planning. This is an on-going program allowing the agency to address current and future needs.
- 2 The position is used to develop and oversee projects on properties managed by Arizona State Parks.
- 3 The primary use of these funds is to fund an in-house planner's position.
- 4 Failure to fund this program could result in the agency's inability to manage it's numerous projects.
- 5 All projects undertaken by this planner shall be applied to facilities that are included in the respective property's master plan and/or statement of interest.
- 6 Estimates for funding of this position are based on historic salary ranges established by the State Personnel Board.
- 7 Position is listed for funding in FY 2002 and 2003. Estimated Cost: \$93,000 (AHF A&D)

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FY 2002 TWO YEAR CAPITAL PROJECT DESCRIPTION

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Agency: **ARIZONA STATE PARKS**

Project State Parks - Park Land Acquisition and Planning

Priority 15

- 1 This program funds the acquisition and planning of state park lands. The focus is on recreation and cultural state parks properties, in holdings and lands adjacent to existing state parks. This is an on-going program allowing the agency to address current and future needs.
- 2 This program shall be accessible to all properties managed by Arizona State Parks (in the case of in-holding and adjacent property acquisition) and new land purchases.
- 3 The primary use of these funds is to purchase key properties as they become available.
- 4 Failure to fund this program could result in missed opportunities to purchase properties that add value and protection to our state parks system.
- 5 These funds shall be used exclusively to purchase state park lands.
- 6 Estimates for this program are based on historic rates of expenditure and the agency's ability to manage the numerous projects that this program funds.
- 7 Project is listed for funding in FY 2002 and FY 2003. Estimated Cost: \$800,000 (\$400,000 AHF A&D and \$400,000 SLIF).

STATE OF ARIZONA
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Agency: **ARIZONA STATE PARKS**

Project **State Parks - Cultural Site Clearance**

Priority **16**

- 1 Arizona State Parks is statutorily required to ensure that all projects on our properties are investigated for impacts to prehistoric and historic cultural sites. These funds will be utilized for investigation and mitigation purposes on projects of limited size and scope. This is an on-going program allowing the agency to address current and future needs.
- 2 This program shall be accessible to all properties managed by Arizona State Parks.
- 3 The primary use of these funds is to perform archaeological investigative work at project sites and undertake archaeological-type projects.
- 4 Failure to fund this program could result in failure to protect fragile cultural sites and artifacts. Non-compliance with applicable laws could also result.
- 5 These funds shall be used exclusively on state park projects.
- 6 Estimates for this program are based on assumed rates of expenditure and the agency's ability to manage the numerous projects that this program funds.
- 7 Project is listed for funding in FY 2002 and FY 2003. Estimated Cost: \$60,000 (\$30,000 AHF A&D and \$30,000 SLIF).

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Agency: **ARIZONA STATE PARKS**

Project **State Parks - Environmental Site Clearance**

Priority **17**

- 1 This program provides funding to investigate for the presence of hazardous materials, endangered and threatened species and other constraints and/or opportunities on existing and proposed state park properties. This is an on-going program allowing the agency to address current and future needs.
- 2 This program shall be accessible to all properties managed by Arizona State Parks and properties being considered for acquisition.
- 3 The primary use of these funds is to perform environmental investigative work at project sites and undertake environmental-type projects.
- 4 Failure to fund this program could result in failure to protect Arizona's fragile environment, our visitors and staff from hazardous conditions and negative impacts. Non-compliance with applicable laws could also result.
- 5 These funds shall be used exclusively on existing or proposed state park properties.
- 6 Estimates for this program are based on historical rates of expenditure and the agency's ability to manage the numerous projects that this program funds.
- 7 Project is listed for funding in FY 2002 and FY 2003. Estimated Cost: \$60,000 (\$30,000 AHF A&D and \$30,000 SLIF).

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FY 2002 TWO YEAR CAPITAL PROJECT DESCRIPTION

Form
CIP-4
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Agency: **ARIZONA STATE PARKS**

Project Natural Areas Land Acquisition

Priority **18**

- 1 Funding for this program will be used to acquire State Natural Areas, conservation easements and fund related costs. These properties will be under Arizona State Park's management jurisdiction. This is an on-going program allowing the agency to address future needs.
- 2 This program shall be used to acquire Natural Areas that will be under Arizona State Parks jurisdiction. Properties may be found throughout the State of Arizona.
- 3 The primary use of these funds is to purchase Natural Areas, secure conservation easements and fund acquisition related projects.
- 4 Failure to fund this program could result in a missed opportunity to secure lands for the people of Arizona. These rare Natural Areas are considered to be of great geological, hydrological or biological value.
- 5 These funds shall be used exclusively on state park projects.
- 6 Estimates for this program are based on a statutory formula for expenditure of the Arizona Heritage Fund.
- 7 Project is listed for funding in FY 2002 and FY 2003. Estimated Cost: \$3,400,000 (\$3,400,000 AHF Natural Areas Acquisition).

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FY 2002 TWO YEAR CAPITAL PROJECT DESCRIPTION

Form
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Agency: ARIZONA STATE PARKS

Project State Parks - Boating Parks Capital Equipment

Priority 19

- 1 Funding from this program is utilized by the Operations Section for the purchase of water safety and related equipment. This is an on-going program allowing the agency to address current and future needs.
- 2 This program shall be used to secure equipment for water-based recreation parks within this park system.
- 3 The primary use of these funds is to purchase equipment necessary for the safe and effective operation of our water-based parks.
- 4 Failure to fund this program will minimize operational effectiveness and could lead to increased water hazards on our lakes and rivers.
- 5 These funds shall be used exclusively on state park projects.
- 6 Estimates for this program are based on the agency's historic ability to expend funds and manage the numerous projects that this program finances.
- 7 Project is listed for funding in FY 2002 and FY 2003. Estimated Cost: \$300,000 (\$300,000 SLIF).

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Agency: **ARIZONA STATE PARKS**

Project **Buckskin Mountain State Park Bank Protection**

Priority **20**

- 1 Fluctuations in the Colorado River's water level has continued to heavily scour the banks around this park. Funding this project allows Arizona State Parks to construct "cut-off walls" & stabilizing the river banks protecting our visitors and the park from further erosion.
- 2 This project will encompass the park's Colorado River bank.
- 3 The primary use of these funds is to design and construct the necessary cut-off wall.
- 4 Failure to fund this program will result in the continued deterioration and erosion of the park's river banks. This will eventually result in the permanent closure of the beach and could result in the loss of life and/or property.
- 5 These funds shall be used exclusively at this park, protecting the beach area which is listed in the park's master plan.
- 6 Estimates for this project were developed by staff using pricing for similar projects at this park.
- 7 Project is listed for funding in FY 2002. Estimated Cost: \$1,430,000 (\$1,430,000 SLIF).

STATE OF ARIZONA
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FY 2002 TWO YEAR CAPITAL PROJECT DESCRIPTION

Form
CIP-4
(Rev 3/08)

Agency: **ARIZONA STATE PARKS**

Project **Buckskin Mountain State Park - River Island Parkwide Improvements**

Priority **21**

- 1 Funding for this project will be used for the design and construction of a restroom/shower building, utility extensions, "cut-off walls" retaining walls & stabilizing the river bank as well as site improvements.
- 2 This project is located at Buckskin Mountain State Park, River Island unit and will be parkwide in its scope.
- 3 The primary use for these funds is to design and construct the facilities listed above.
- 4 Failure to fund this program will result in the continued deterioration of facilities that need to be replaced. This results in decreased visitor safety and diminished operational effectiveness. The park improvements listed above will ultimately enhance the visitors experience, protect the resource and increase the park's operational effectiveness.
- 5 These funds shall be used exclusively on improvements that are listed in the park's master plan.
- 6 Estimates for this project were developed by staff using pricing for similar projects at this and other state parks.
- 7 Project is listed for funding in FY 2003. Estimated Cost: \$1,430,000 (\$1,430,000 SLIF).

STATE OF ARIZONA

Joint Committee on Capital Review

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DATE: August 3, 2000

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

THRU: Richard Stavneak, Director

FROM: Lorenzo Martinez, Senior Fiscal Analyst

SUBJECT: ARIZONA STATE UNIVERSITY - REPORT ON REVISED COST FOR RESIDENCE
HALL BOND PROJECT

Request

Arizona State University (ASU) is submitting a report on the revised cost estimate for a residence hall bond project.

Recommendation

This item is for information only and no Committee action is required. The cost of the project is \$400,000 higher than previously estimated. The increased cost will be covered with Residential Life Plant Fund Reserves.

Analysis

At its March 2000 meeting, the Committee approved the issuance of \$7,000,000 in auxiliary revenue bonds to construct residential additions that will provide 250 new beds in the central part of the ASU-Main Campus. Residential Life Plant Fund Reserves (non-appropriated funds) in the amount of \$1,200,000 were also committed to the project.

ASU has received bids for the project and reports that an additional \$400,000 will be required from Residential Life Plant Fund Reserves. The total project cost is now estimated to be \$8,600,000 with \$7,000,000 generated from auxiliary bonds and \$1,600,000 committed from Residential Life Plant Fund Reserves. Both the bond debt service and the Residential Life Plant Fund will be funded with revenues generated from the operation of ASU residence halls. This is a self-supporting program.

The attached material contains detail on the project components and estimated costs.

RS:LM:jb

ASU
ARIZONA STATE UNIVERSITY

July 10, 2000

JUL 12 2000

Mr. Lorenzo Martinez
Joint Legislative Budget Committee
1716 W. Adams
Phoenix, AZ 85007

Dear Mr. Martinez:

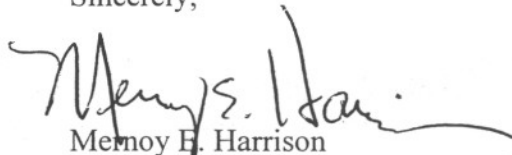
I have attached an Arizona Board of Regents' agenda item describing a \$400,000 budget increase for the Arizona State University Main Campus Residential Life New Building Additions. This project was reviewed and approved by the Joint Committee on Capital Review at its March 22, 2000 meeting. Because this project had been previously approved, it is our understanding that there is no need for a formal review. However, we have been advised to inform the committee of any changes in the project budget exceeding \$100,000.

The reason for the \$400,000 budget increase is the higher than anticipated construction bids for the project. Fourteen (14) general contractor bids were received, ranging from \$7.0 to \$7.5 million, reflecting a very tight bid condition. The lowest bid, however, was \$752,000 more than the pre-bid estimates of the architect and construction manager. There was a noted lack of sub-contractor bids, which did drive up the cost. As a result of value engineering with the low bidder, the budget increase needed for the project has been reduced to \$400,000.

The amount of auxiliary revenue bonds approved for this project will not change. The additional cost of \$400,000 will be covered from Residential Life Plant Fund Reserves.

Please contact me if you have any questions or need additional information.

Sincerely,



Memoy E. Harrison
Vice Provost for Administrative Services

Attachment

xc: Dave Harris, Arizona Board of Regents
Steve Miller, Assistant Vice President for Institutional Advancement

VICE PROVOST FOR ADMINISTRATIVE SERVICES

PO BOX 872303, TEMPE, AZ 85287-2303
(602) 965-3201 FAX: (602) 965-8388

EXECUTIVE SUMMARY

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

ISSUE: Arizona State University requests Revised Project Approval and Budget Increase for the Residential Life New Building Additions on the Main Campus. The new building additions, north of Hayden Hall, will accommodate 250 beds.

PROJECT STATUS:

- **PREVIOUS BOARD ACTIONS:** Project Initiation Approval, February 26, 1999.
Conceptual Approval, November 1999
Project Approval, March 28, 2000 (Executive Director Approval)
- The project was extensively value engineered during the completion of the contract documents and prior to the original ABOR Project Approval March 28, 2000. The Architect estimated the base bid to be \$6,288,453.00. The Construction Manager did a confirming cost estimate. The Architect and the Construction Manager's base bid and eight add alternate numbers were reconciled. It was anticipated that the project would bid at or below \$6,288,453.00. The add alternates were considered desirable but not necessarily required for a successful project. The project was advertised April 13, 2000 and the bid opening was May 25, 2000. Fourteen (14) General Contractors bid this project. The base bids ranged from \$7,040,000.00 to \$7,534,000.00, which reflects a very tight bid condition. However, lack of sub-contractor bids did drive up the costs. The project has been value engineered with the low bidder. The \$7,040,000.00 base bid has been reduced by 5% to \$6,688,000.00.
- The revised cost reflects a \$400,000.00 increase over the previously approved ABOR budget of \$8,200,000.00. Revised project cost is \$8,600,000.00. The project budget increase will be funded by Residential Life reserves.

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

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

EXECUTIVE SUMMARY

- **Project Schedule**

ABOR Approval of Project Initiation	2/6/99
ABOR Conceptual Approval	11/19/99
Construction Documents and Cost Estimates Complete	3/17/2000
ABOR Project Approval	3/28/2000
ABOR Revised Project Approval	6/29/2000
Construction Start	7/17/2000
Construction Complete	6/29/2001
Occupancy	7/30/2001

RECOMMENDATION:

RESOLVED: That the Arizona Board of Regents grant Revised Project Approval and a Budget Increase of \$400,000.00 to \$8,600,000.00 to Arizona State University for the Residential Life New Building Additions on the Main Campus.

EXECUTIVE SUMMARY

Capital Project Information Summary

University: Arizona State University Main

Project Name: Residence Life New Building
Additions, Center Campus
ASU Project No. 99201

Project Description/Location:

<u>Dates of Board Action:</u>	<u>Project Approval</u> March 2000	<u>Revised Project Approval</u> June 2000
--------------------------------------	----------------------------------------------	-----------------------------------------------------

Project Scope:

Gross Square Feet	56,822	56,822
Net Assignable Square Feet	38,737	38,737
Efficiency Ratio [NASF/GSF]	68%	68%
NASF by Space Type		
Residential	38,737	38,737

Project Schedule for All Projects (Beginning Month/Year):

Planning	02/99	02/99
Design	08/99	08/99
Construction	05/2000	07/2000
Occupancy	05/2001	07/2001

Project Budget:

Total Project Cost	\$ 8,200,000	\$8,600,000
Direct Construction Cost	\$ 5,989,490	\$6,688,000
Total Project Cost per GSF	\$ 144	\$ 151
Construction Cost per GSF	\$ 105	\$ 118
Change in Annual Oper./Main. Cost	\$	
Utilities	\$ 85,000	\$ 85,000
Personnel	\$ 75,000	\$ 75,000
Other - Supplies	\$ 60,000	\$ 60,000

Funding Sources:

Capital

A. Auxiliary Revenue Bonds	\$ 7,500,000	\$ 7,500,000
B. Residential Life Plant Fund Res.	\$ 700,000	\$ 1,100,000
Operation/Maintenance		
A. Auxiliary Enterprises Fund	\$ 220,000	\$ 220,000

EXECUTIVE SUMMARY

CAPITAL PROJECT BUDGET SUMMARY

University: Arizona State University

Project Name: Residence Life New Building Additions at Center Campus

	<u>Project Approval Estimate</u>	<u>Revised Project Approval Estimate</u>	<u>Final Budget at at Substantial Completion</u>
<u>Dates of Budget Estimate:</u>	03/2000	06/2000	
Capital Costs			
1. Land Acquisition	\$ 0	\$ 0	\$
2. Construction Cost			
A. New Construction	\$5,989,490	\$6,688,000	
B. Renovation			
C. Special Fixed Equipment			
D. Site Development (excl. 2.E.)	\$ Incl. In A	\$ Incl. In A	
E. Parking and Landscaping	\$ Incl. In A	\$ Incl. In A	
F. Utilities Extensions	\$ Incl. In A	\$ Incl. In A	
G. Other * 75 spaces to pts	\$ 112,500	\$ 121,250	
H. Inflation Adjustment () mos.	\$ 236,000	\$ - 0 -	
Subtotal Construction Cost	<u>\$6,337,990</u>	<u>\$6,809,250</u>	
3. Fees (% of Construction Cost)			
A. Construction Manager (3.7%)	\$ 233,933	\$ 233,933	
B. Architect/Engineer (7.7%)	\$ 482,000	\$ 500,000	
C. Other * Abatement Consultant	\$ 2,000	\$ 2,000	
4. FF&E Movable	\$ 469,624	\$ 359,624	
5. Contingency, Design Phase (4.9%)	\$ 50,000	\$ 35,142	
6. Contingency, Const. Phase (4.9%)	\$ 239,580	\$ 314,557	
7. Parking Reserve	\$	\$	
8. Telecommunications Equipment	\$ 256,000	\$ 193,000	
Subtotal Sections 4-8	<u>\$1,733,137</u>	<u>\$1,638,256</u>	
9. Additional University Costs			
A. Surveys and Tests	\$ 11,000	\$ 31,000	
B. Move-in Costs	\$ 10,000	\$ 10,000	
C. Public Art	\$ 29,947	\$ 31,456	
D. Printing Advertisement	\$ 5,000	\$ 5,000	
E. Other * SWO'S, Signage, Trash Compactor ¹	\$ 23,000	\$ 23,000	
F. State Risk Mgt Ins.(.006) **	\$ 41,926	\$ 44,038	
G. Asbestos Abatement	\$ 8,000	\$ 8,000	
Subtotal Addl. Univ. Costs	<u>\$ 128,873</u>	<u>\$ 152,494</u>	
TOTAL CAPITAL COST	<u>\$ 8,200,000</u>	<u>\$ 8,600,000</u>	

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

\$ N/A

	<u>FY99</u>	<u>FY00</u>	<u>FY01</u>
Projected Cash Flow Needs for Total Project Cost:	213,868	4,836,092	3,550,040
(in millions; updated at each submission)			

* Universities shall identify items included in this category

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

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

1. Trash compactor cost is included in the new construction cost estimate for Project Approval.

