STATE OF ARIZONA

Joint Committee on Capital Review

STATE
SENATE

DON SHOOTER
CHAIRMAN 2011
PAULA A. ABOUD
ANDY BIGGS
RICH CRANDALL
LORI KLEIN
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HOUSE OF
REPRESENTATIVES

JOHN KAVANAGH
CHAIRMAN 2012
LELA ALSTON
CHAD CAMPBELL
STEVE COURT
NANCY MCLAIN
JUSTIN OLSON
ANNA TOVAR

MINUTES OF THE MEETING

JOINT COMMITTEE ON CAPITAL REVIEW

March 27, 2012

The Chairman called the meeting to order at 8:11 a.m., Tuesday, March 27, 2012, in House Hearing Room 4. The following were present:

Members:	Representative Kavanagh, Chairman	Senator Shooter, Vice-Chairman
	Representative Alston	Senator Aboud
	Representative Campbell	Senator Biggs
	Representative Court	Senator Crandall
	Representative McLain	Senator Klein
	Representative Tovar	
Absent:	Representative Olson	Senator Murphy
		Senator Schapira

APPROVAL OF MINUTES

Hearing no objections from the members of the Committee to the minutes of February 7, 2011, Chairman John Kavanagh stated the minutes would stand approved.

ARIZONA DEPARTMENT OF CORRECTIONS - Review of Revised FY 2012 Building Renewal Allocation Plan.

Mr. James Alcantar, JLBC Staff, presented the Arizona Department of Corrections' (ADC) request for review of its revised FY 2012 Building Renewal Allocation Plan. The revision would reallocate resources, including allocating $847,000 to modify 4 housing units at the Cibola Prison Unit, located in Yuma. In addition to this reallocation, the department is reallocating some of the previously approved projects, bringing the total to $4,581,800, down from the $4,630,500 that was previously reviewed.

The JLBC Staff presented options to the Committee.

Mr. Alcantar responded to member questions.

ADC gave a handout to the Committee members regarding the Cibola Prison Unit modifications *(Attachment 1).*

Mr. Michael Kearns, Division Director, Administrative Services, ADC, responded to member questions.

Mr. Charles Ryan, Director, ADC, responded to member questions.

(Continued)

Senator Shooter moved that the Committee give a favorable review to ADC's revised FY 2012 Building Renewal Allocation Plan, along with the provision that ADC shall report any further changes in the spending plan to the JLBC Staff, including reallocations between projects and allocation from the contingency plan. The motion carried.

NORTHERN ARIZONA UNIVERSITY - Review of Energy Services and Performance Contract.

Ms. Marge Zylla, JLBC Staff, presented the Northern Arizona University (NAU) request for review of an Energy Services and Performance Contract and third party financing plan for $18.0 million of energy conservation projects. The proposed projects include energy conservation updates to lighting, plumbing, HVAC, and technology systems in academic buildings, residence halls, and dining facilities. To finance the $18.0 million in projects, NAU plans to pay $6.3 million up front from local revenues and finance the remaining $11.7 million with capital lease or a revenue bond with a third party financing entity that has not yet been selected. If the financing was set at an interest rate of 4.5% for a 15-year term, NAU estimates a total debt service cost of $16.7 million, which would be paid for from utility savings from the energy improvements.

The JLBC Staff presented options to the Committee.

Ms. Zylla responded to member questions.

Mr. Jennus Burton, Vice President of Finance and Administration, NAU, responded to member questions.

Senator Shooter moved that the Committee give a favorable recommendation to NAU's Energy Services and Performance Contract, along with the provision that the project is ultimately approved by the Arizona Board of Regents, and the following Standard University Financing Provisions.

Standard University Financing Provisions

- *A favorable review by the Committee does not constitute endorsement of General Fund appropriations to offset any revenues that may be required for debt service, or any operations and maintenance costs when the project is complete.*

- *NAU shall provide the final debt service schedule for the projects as soon as it is available.*

The motion carried.

Without objection, the meeting adjourned at 8:29 a.m.

Respectfully submitted:

_____
Mya Trivison, Secretary

_____
Leatta McLaughlin, Assistant Director

_____
Representative John Kavanagh, Chairman

NOTE: A full audio recording of this meeting is available at the JLBC Staff Office, 1716 W. Adams. A full video recording of this meeting is available at http://www.azleg.gov/jlbc/meeting.htm.

Attachment 1

Arizona Department of Corrections

1601 WEST JEFFERSON
PHOENIX, ARIZONA 85007
(602) 542-5497
www.azcorrections.gov

JANICE K. BREWER
GOVERNOR

CHARLES L. RYAN
DIRECTOR

February 21, 2012

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

Dear Senator Shooter:

The Arizona Department of Corrections (ADC) requests to be placed on the next JCCR meeting agenda for review of modifications to the housing units at the ASPC-Yuma Cibola unit.

The ASPC-Yuma Cibola unit is part of the 4,000 State Beds completed in June 2010. The original bid called for Yuma to house 2,000 of the 4,000 beds; 1,000 medium (Cibola) and 1,000 minimum custody (La Paz) inmates. Unlike other medium custody ADC housing units, the medium custody unit incorporated minimum standards for the dormitories and a medium standard perimeter. The dormitory-style buildings were designed to allow uncontrolled inmate movement within the building and do not provide a secure control room for staff. The current design of the medium custody dormitory buildings is inadequate and the modifications are necessary to reduce the risk to inmates and staff.

ADC is seeking approval to modify the four housing units at the Cibola prison unit by adding a secure control room for staff to allow better visibility of inmate activities and provide a safe location from which staff can manage the inmates. In addition, ADC proposes enhancing the unit's camera system to provide better visibility and tracking of inmate movement. Lastly, for the Committee's information, ADC is installing security doors between the inmate living areas using inmate labor and operating monies to control inmate movement within the buildings. The modifications and design fees have an estimated cost of $964,000.

The Department proposes to fund the project modifications from the Building Renewal Fund and the design fees from the Department's operating lump sum budget. Since the Department already submitted a plan that was approved by JCCR in September 2011 for the current fiscal year for the Building Renewal Fund, we are submitting a revised schedule due to this critical project.

If you have any questions regarding this issue, please contact Michael Kearns, Division Director, Administrative Services Division at (602) 542-1160, or me directly (602) 542-5225.

Sincerely,

Charles L. Ryan
Director

Enclosures

cc: The Honorable John Kavanagh, Vice-Chairman, JCCR
Richard Stavneak, Director, JLBC Staff
Leatta McLaughlin, Fiscal Analyst, JLBC Staff
Stefan Shepherd, Fiscal Analyst, JLBC Staff
James Alcantar, Fiscal Analyst, JLBC Staff
John Arnold, Director, OSPB
Jennifer Uharriet, Budget Analyst, OSPB
Brandon Nee, Budget Analyst, OSPB

ARIZONA DEPARTMENT OF CORRECTIONS

Yuma Cibola Security Upgrades

Scope of Work

- Demolition of existing officer stations and day rooms
  $35,503
- Demolition and relocation of all existing underground electrical, fire alarm and data feeds from officer station $42,155
- Installation of new control room including lighting, ventilation and sallyport with an emergency exit to yard
  $505,216
- Installation of security cameras and monitors
  $58,134
- Modification to existing restroom walls to enhance visibility
  $46,123
- Installation of security pass through windows in each control room
  $23,233
- Installation of all electrical, fire alarm and data wiring to new control room
  $76,000

Total $786,364

Gordian JOC fee @ 5%:	**$39,318**
Construction Total:	**$825,682**
Design fees:	**$117,000**
Total Project Costs:	**$942,682**

Prepared by ADC/ml/mpk 3/26/2012

ARIZONA DEPARTMENT OF CORRECTIONS
FY 2012 Building Renewal Fund
ONE YEAR CAPITAL RENEWAL PROJECTS

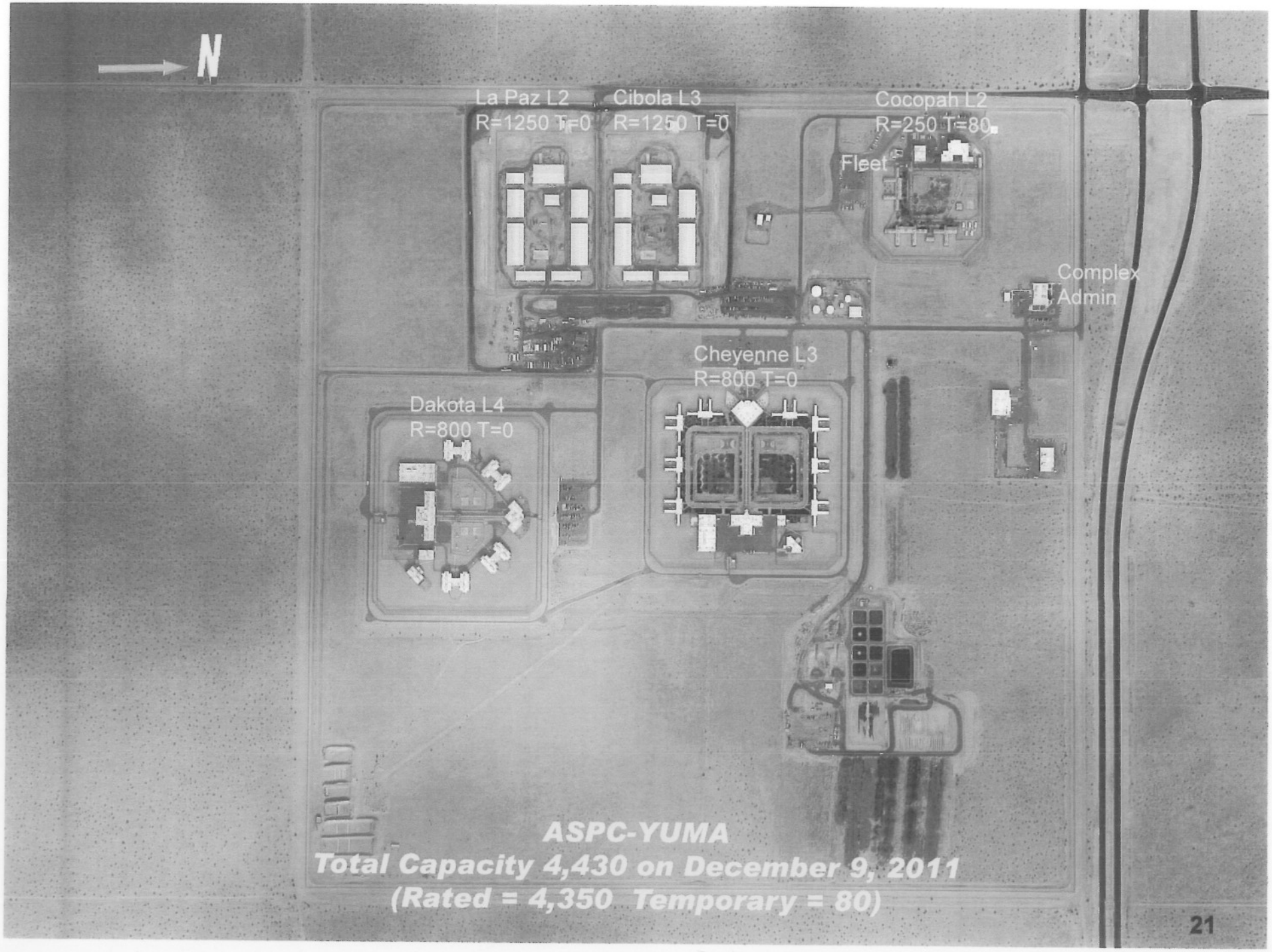
FY12 BUILDING RENEWAL FUNDED PROJECTS

Institution	Project Name	Project Description	Budget
YUMA / CIBOLA	**HOUSING UNIT SECURITY REWORK**	**INSTALL CONTROLS ROOMS, POD DOORS AND CAMERA SYSTEMS**	**$825,682**
EYMAN / RYNNING	LOCKING SYSTEM	COMPLETE LOCKING SYSTEM INSTALLATION FROM ARRA PROJECT	$450,000
PERRYVILLE / LUMLEY	LOCKING SYSTEMS LUMLEY	REPLACE SHOWER DOORS	$315,376
TUCSON / CIMARRON	LOCKING SYSTEMS CIMMARON	REPLACE LOCKS THROUGHOUT THE UNIT AND SHOWER DOORS AND LOCKS	$160,785
WINSLOW / KAIBAB	LOCKING SYSTEMS KAIBAB	REPLACE LOCKING SYSTEMS IN CLOSE CUSTODY AREAS	$225,262
FLORENCE / SOUTH	LOCKING SYSTEMS SOUTH UNIT	REPLACEMENT OF FAILING SECURITY DOORS AND LOCKS	$46,850
LEWIS	WELL PUMP UPGRADE	UPGRADE INTERNAL PUMP AND BOWLS TO STAINLESS STEEL	$120,000
			$2,143,955

WINSLOW KAIBAB	WINSLOW KAIBAB ELECTRONIC PERIMETER	REPLACE 5230 LINEAR FEET OF ELECTRONIC PERIMETER	$435,607
PERRYVILLE LUMLEY	PERRYVILLE LUMLEY ELECTRONIC PERIMETER	REPLACE 4500 LINEAR FEET OF ELECTRONIC PERIMETER	$479,462
TUCSON COMPLEX	TUCSON COMPLEX ELECTRONIC PERIMETER	REPLACE 18,000 LINEAR FEET OF ELECTRONIC PERIMETER SYSTEM	$1,337,686
		TOTAL	**$2,252,755**
		GRAND TOTAL FY12 REVISED BUILDING RENEWAL FUND	**$4,396,710**
		CONTINGENCY	**$152,972**
		PM SOFTWARE	**$32,000**
			$4,581,682

ITEMS TO BE FUNDED BY FY12 LUMP SUM APPROPRIATION

EYMAN / SMU I	LOCKING SYSTEMS SMU I	REPLACEMENT OF RUSTING DOORS / SHOWER DOORS	$77,435
PERRYVILLE / CDU	LOCKING SYSTEMS COMPLEX	REPLACE CDU DOORS AND CONTROL PANELS	$33,861
PHOENIX / ALHAMBRA	LOCKING SYSTEMS ALHAMBRA	REPLACE SALLYPORT DOORS	$32,989
LEWIS / BUCKLEY	LOCKING SYSTEMS BUCKLEY	REPLACE SOFTWARE	$121,375
LEWIS / MOREY	LOCKING SYSTEMS MOREY	REPLACE SOFTWARE	$123,725
LEWIS / RAST	LOCKING SYSTEMS RAST	REPLACE SOFTWARE	$60,688
LEWIS / STINER	LOCKING SYSTEMS STINER	REPLACE SOFTWARE	$2,350
LEWIS / BACHMAN	LOCKING SYSTEMS BACHMAN	REPLACE CDU SOFTWARE	$2,350
WINSLOW / APACHE	LOCKING SYSTEMS APACHE	REPLACE LOCKS AND DOORS THROUGHOUT VARIOUS AREAS OF THE UNIT	$6,199
LEWIS	WELL MOTOR CONVERSIONS	UPGRADE WELL MOTORS ON WELLS 3 AND 4	$200,000
		Items Moved from Original Building Renewal Fund Approved List	$660,972
YUMA	DESIGN FEES FOR CIBOLA PROJECT	DESIGN FEES FOR CIBOLA SECURITY UPGRADES	$117,000
		TOTAL	**$777,972**


N
La Paz L2
R=1250 T=0
Cibola L3
R=1250 T=0
Cocopah L2
R=250 T=80
Fleet
Complex
Admin
Cheyenne L3
R=800 T=0
Dakota L4
R=800 T=0
ASPC-YUMA
Total Capacity 4,430 on December 9, 2011
(Rated = 4,350 Temporary = 80)

Arizona Department of Corrections

Cibola Unit Photos

Cibola Unit- Dorms Without Secure Officer Station

Lewis-Barchey Unit
With Secure Control Room

Cibola Dorms-Before Securing Doorway

Cibola Dorms-After Securing Doorway