



STATE OF ARIZONA

Joint Committee on Capital Review

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SEAN BOWIE
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SINE KERR
VINCE LEACH
REBECCA RIOS

1716 WEST ADAMS
PHOENIX, ARIZONA 85007

(602) 926-5491

azleg.gov

HOUSE OF
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VICE-CHAIRMAN
REGINALD BOLDING
RANDALL FRIESE
JOHN KAVANAGH
JOANNE OSBORNE
BEN TOMA
VACANT

MINUTES OF THE MEETING

JOINT COMMITTEE ON CAPITAL REVIEW

October 5, 2021

The Chairman called the meeting to order at 10:52 a.m., Tuesday, October 5, 2021 in House Hearing Room 1. The following were present:

Members:	Senator Gowan, Chairman	Representative Cobb, Vice-Chairman
	Senator Alston	Representative Bolding
	Senator Bowie	Representative Fernandez (Temporary Member in place of Representative Lieberman)
	Senator Kerr	Representative Nguyen (Temporary Member in place of Representative Kavanagh)
	Senator Leach	Representative Osborne
	Senator Rios	Representative Schwiebert (Temporary Member in place of Representative Friese)
Absent:	Senator Gray	Representative Toma

APPROVAL OF MINUTES

Representative Cobb moved that the Committee approve the minutes of July 15, 2021. The motion carried.

CONSENT AGENDA

The following items were considered without discussion:

ARIZONA DEPARTMENT OF TRANSPORTATION (ADOT) - Review of FY 2022 Building Renewal Allocation Plan.

A.R.S. § 41-1252 requires Committee review of expenditure plans for building renewal monies prior to

(Continued)

expenditure. ADOT requested that the Committee review its \$15,710,400 FY 2022 Building Renewal Allocation Plan. The JLBC Staff provided options.

ARIZONA DEPARTMENT OF TRANSPORTATION (ADOT) - Review of Wickenburg Project.

A.R.S. § 41-1252 requires Committee review of expenditure plans for monies appropriated for capital projects. ADOT requested Committee review of its FY 2020 and FY 2022 appropriations totaling \$7,750,000 for the Wickenburg Maintenance Facility project. The JLBC Staff provided options and a potential provision:

- A. *Prior to proceeding with the project, ADOT shall submit to the Committee a more detailed explanation of the \$2.0 million in site work along with an explanation of how ADOT will address the flooding issues on the property.*

ARIZONA STATE UNIVERSITY (ASU) - Review of New Academic Building and Campus Renovation Projects.

A.R.S. § 15-1683 requires Committee review of any university projects financed with system revenue bonds. Arizona State University (ASU) requests Committee review of \$198,910,000 in system revenue bond issuances, of which \$107,100,000 will be to construct a new classroom office building and replace a utility tunnel network and \$91,810,000 will be for renovations to existing campus buildings. ASU will fund the debt service payments with tuition. The JLBC Staff provided options and potential provisions:

Standard University Financing Provisions

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

ARIZONA GAME AND FISH DEPARTMENT (AGFD) - Review of Patagonia Lake State Park Floating Restrooms and Pump Boat.

A.R.S. § 41-1252 requires Committee review of expenditure plans for any capital project with an estimated cost of more than \$250,000. AGFD requested Committee review of a \$454,600 project to build 3 floating restrooms and purchase 1 pumpout boat at Lake Patagonia State Park. The JLBC Staff provided options.

Representative Cobb moved that the Committee give a favorable review of the 4 consent agenda items listed above with JLBC Staff provisions. The motion carried.

REGULAR AGENDA

ARIZONA DEPARTMENT OF ADMINISTRATION (ADOA) - Review of Arizona Department of Corrections Building Relocation and Renovation.

Ms. Rebecca Perrera and Mr. Geoffrey Paulsen, JLBC Staff, stated A.R.S. § 41-1252 requires Committee review of expenditure plans for building renewal monies. In July, JCCR reviewed all but \$4,600,000-of the FY 2022 ADOA building renewal appropriation.

ADOA requested review of the \$4,600,000 to renovate 701 W Jefferson to relocate the Arizona Department of Corrections (ADC) in the old AHCCCS building. In addition, ADOA plans to reallocate its \$500,000 emergency allocation and ADC intends to use \$4,185,000 from ADC's operating budget for a total project budget of \$9,300,000. The JLBC Staff provided options.

Mr. Andy Tobin, Director, ADOA, responded to member questions.

Representative Cobb moved that the Committee give a favorable review of the agency's expenditure plan. The motion passed by a roll call vote of 7-5-0-2. (Attachment 1).

Without objection, the meeting adjourned at 11:17 a.m.

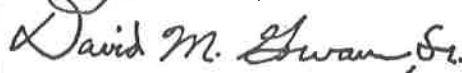
Respectfully submitted:



Kristy Paddack, Secretary

Rebecca Perrera

Rebecca Perrera, Assistant Director



Senator David Gowan, Chairman

JOINT COMMITTEE ON CAPITAL REVIEW

Meeting Date: October 5, 2021

ITEM #: ADOA

MOTION: FAVORABLE REVIEW OF THE AGENCY'S EXPENDITURE PLAN

ITEM #:

MOTION:

	<u>PRESENT</u>	<u>ABSENT</u>	PASS	AYE	NAY	PRESENT	ABSENT
SEN. ALSTON	X				X		
SEN. BOWIE	X			X			
REP. BOLDING	X				X		
REP FERNANDEZ	X				X		
SEN. GRAY		X					X
SEN. KERR	X			X			
SEN. LEACH	X			X			
REP. NGUYEN	X			X			
REP. OSBORNE	X			X			
SEN. RIOS	X				X		
REP. SCHWIEBERT	X				X		
REP. TOMA		X					X
REP. COBB	X			X			
SEN. GOWAN	X			X			
TOTALS	12	2		7	5	0	2

	PASS	AYE	NAY	PRESENT	ABSENT
SEN. ALSTON					
SEN. BOWIE					
REP. BOLDING					
REP FERNANDEZ					
SEN. GRAY					
SEN. KERR					
SEN. LEACH					
REP. NGUYEN					
REP. OSBORNE					
SEN. RIOS					
REP. SCHWIEBERT					
REP. TOMA					
REP. COBB					
SEN. GOWAN					

TOTALS