

JCCR MEETING

At its April 8, 2014 meeting, the Joint Committee on Capital Review considered the following issues:

University of Arizona – Review of Phase 1 of McKale Memorial Center Improvements

– The Committee gave a favorable review to the University of Arizona’s \$12.5 million bond issuance to fund Phase 1 of the McKale Memorial Center Improvements with the standard university financing provisions. The total project cost is \$25 million, with \$12.5 million being paid in cash and the other \$12.5 million being paid with a system revenue bond, which will be paid from gift revenues raised by the athletic department.

Northern Arizona University – Review of Aquatics and Tennis Project and Code and Safety Renovations

– The Committee gave a favorable review to NAU’s \$57 million revenue bond issuance. Of that amount, \$44.5 million will fund construction of a new aquatics and tennis facility with the remaining \$12.5 million going to fund code and safety renovations on the NAU Flagstaff campus. The renovations will impact 24 buildings and include upgrades to sprinklers, new smoke detectors and strobe compliance for alarm systems. The favorable review includes the standard university financing provisions along with a provision that the aquatic center retain the name ‘Douglas J. Wall Aquatics Center’.

Arizona State University – Review of Center for Law and Society Project and Psychology Building Renovations

– The Committee gave a favorable review of ASU’s \$136.7 million system revenue bond issuance to fund the construction of a new Center for Law and Society at the ASU Downtown Phoenix Campus and renovations to the Psychology building at the ASU Tempe Campus. The total cost for

the Center for Law and Society will be \$129 million with \$114 million funded with system revenue bonds and \$15 million paid in gift proceeds. The Psychology Building renovations are expected to cost \$22.7 million, to be paid entirely from system revenue bond proceeds. The Committee gave a favorable review of the project with the standard university financing provisions along with an additional provision that ASU shall provide a report to JCCR by December 31, 2014 on the projected fund sources for the law school debt service for each fiscal year through FY 2020.

Arizona Department of Transportation – Review of De-Icer Building Project

– The Committee gave a favorable review of ADOT’s \$2.3 million expenditure plan for 5 de-icer buildings with the provision that ADOT report any project reallocations above \$100,000 to the Committee. The buildings will house chemicals, bulk sand and cinders to be used during winter months to de-ice highways. The 5 de-icer buildings will be located in Alpine, Fort Rock, Oak Creek, Payson and Safford.

Arizona State Lottery Commission – Review of FY 2014 Building Renewal Allocation Plan

– The Committee gave a favorable review of the State Lottery Commission’s expenditure plan of \$90,300 from the State Lottery Fund to fund building renewal of the Commission’s Phoenix facility with the provision that the agency subsequently provides its specific expenditure plan to the JLBC staff. The renewal plan consists of repairs to fix existing rain water leaks, potential water damage and floor repairs.

Arizona Department of Administration – Consider Recommending FY 2014 Partial Rent Exemption

– The Committee recommended a technical rent exemption for the State Real Estate Department.