

## JCCR MEETING

At its June 15, 2006 meeting, the Joint Committee on Capital Review (JCCR) considered the following issues:

**Arizona Department of Transportation Asphalt Storage Tanks Project** – Contingent on enactment of the FY 2007 Capital Outlay Bill, the Committee favorably reviewed the use of \$406,400 to construct 2 asphalt storage tanks. Additionally, the Committee approved the transfer of \$11,600 from a FY 2005 capital appropriation for oil storage tanks to the proposed asphalt storage tank project. The Arizona Department of Transportation requested this review prior to the passage of the FY 2007 Capital Outlay Bill in order to take advantage of an existing bid.

**Arizona Department of Transportation FY 2007 Construction Budget Expenditure Plan** – Contingent on enactment of the FY 2007 Capital Outlay Bill, the Committee favorably reviewed the use of up to \$17.3 million for Professional and Outside Services (contracted consultants) for the first 2 months in FY 2007 with 2 provisions. The first is that prior to the expenditure of any monies beyond the \$17.3 million, the Arizona Department of Transportation (ADOT) submit a complete highway construction budget expenditure plan for Professional and Outside Services, including an estimate of consulting services from the Statewide Transportation Acceleration Needs Account. The second provision is that the highway construction budget include performance measures on traffic congestion for the Phoenix and Tucson areas and for the balance of the State.

The proposed FY 2007 Capital Outlay Bill requires Committee review of expenditures for Professional and Outside Services prior to the expenditure of any monies. The favorable review of 2 months worth of expenditures, \$17.3 million, will allow ADOT time to submit more complete information on the proposed Professional and Outside Services expenditures, the Statewide Transportation Acceleration Needs Account, and traffic congestion performance measures.

**School Facilities Board New School Construction Plan** – The Committee favorably reviewed the demographic assumptions, proposed construction schedule, and cost estimates of the FY 2007 New School Construction Report. This item was previously presented at the October Committee meeting, but action was deferred until the board completed its project approval process for the current

fiscal year. For FY 2007, the School Facilities Board projects:

- Increased enrollment growth of 7.1%
- New and ongoing construction of 75 schools
- School construction costs of \$360.7 million

*(See page 9 for highlights of the report.)*

**Arizona Department of Juvenile Corrections Suicide Prevention Renovations** – Contingent on enactment of the FY 2007 Department of Juvenile Corrections (DJC) budget, the Committee favorably reviewed the use of \$489,000 of the proposed budget for suicide prevention modifications of secure care facilities. This funding represents the last phase of the suicide prevention renovations, which will have cost a total of \$3,358,600 since FY 2003. The Committee's favorable review allows DJC to continue working with its current contractor for renovations without a construction delay, which would have been caused by re-bidding the project. The department will use an additional \$44,600 from its lump sum appropriation to fund the total project cost of \$533,600.

**Arizona Department of Administration Rent Exemption for the Arizona Department of Real Estate** – The Committee approved the \$10,000 rent exemption requested for the Arizona Department of Real Estate (ADRE). ADRE will use the savings to reconfigure its remaining office space and purchase equipment. The 3 offices vacated by the ADRE will be filled by the Arizona Department of Liquor Licenses and Control (ADLLC). The existing FY 2007 ADLLC budget is sufficient to cover the \$10,000 rent increase.