

JCCR MEETING

At its June 20, 2017 meeting, the Joint Committee on Capital Review considered the following issues:

Arizona Department of Administration – Review of FY 2018 Building Renewal Plan – The Committee gave a favorable review of \$8,300,000 for building renewal projects. These monies were appropriated for FY 2018 from both the General Fund and the Capital Outlay Stabilization Fund. Reviewed projects include; preventative building maintenance, safety related projects, HVAC system upgrades, and other system improvements. The favorable review included provisions with reporting requirements.

Arizona Department of Administration – Consider Recommending FY 2017 Partial Rent Exemption – The Committee recommended a full rent exemption of \$(238,500) in FY 2017 and FY 2018 for the Secretary of State (SOS), as well as an ongoing rent exemption in future years unless the Legislature provides additional funding to the SOS to cover the cost of the Talking Book Library property.

Arizona Department of Administration & State Department of Corrections – Review and Approval of Lease Purchase Refinancing – The Committee gave a favorable review of the refinancing of a lease-purchase agreement that was issued in 2008 to fund additional ADC prison beds. The refinancing of \$43.4 million in outstanding principal is estimated to result in savings of \$985,400. The Committee also adopted a standard debt financing provision.

Department of Corrections – Review of FY 2018 Building Renewal Plan and Capital Projects – The Committee gave a favorable review of \$1,450,000 for the replacement of locking systems at ASPC – Eyman. The Committee also gave favorable review to \$5,464,300 for the FY 2018 Building Renewal Allocation Plan, which included equipment replacement and structural repairs. Reallocations of the FY 2016 and FY 2017 Building Renewal Plans were also reviewed by the Committee. The favorable review also included provisions with reporting requirements.

Department of Emergency and Military Affairs – Review of Proposed Expenditures from the Military Installation Fund – The Committee gave a favorable review of the department's plan to expend \$1.1 million from the Military Installation Fund. These funds will be used to acquire a 300-acre conservation easement near Fort Huachuca, to purchase 10 acres within the Davis-Monthan Air Force Base fence line, as well as to provide

a grant to Pima County to purchase another piece of land. The Committee adopted provisions outlining terms of the grant to Pima County as well as standard reporting requirements.

Arizona Exposition and State Fair Board – Review of FY 2017 Capital Improvement Expenditures – The Committee gave favorable review of 9 capital projects with an estimated total cost of \$303,000. The favorable review included provisions with reporting requirements

Universities – Arizona State University – Review of Tempe Power Plant Indirect Financing Project – The Committee held this item for future consideration.

Universities – Northern Arizona University – Review of Recital Hall Financing Project – The Committee gave a favorable review of a \$15,000,000 project to construct a 250-seat recital hall and to renovate existing space in the Performing and Fine Arts building. The project will be funded by a combination of system revenue bonds and gifts. The favorable review included the two standard university financing provisions.