

JCCR MEETING

At its July 27, 2006 meeting, the Joint Committee on Capital Review (JCCR) considered the following issues:

Cochise Community College District Bond Proposal – The Committee favorably reviewed the \$87.7 million general obligation (GO) bond issuance scheduled for the November 7 election, with the provision that the district return to the Committee for review prior to each actual bond issuance. The district plans to have 3 issuances, with an issuance occurring every 2 years. The issuance schedule includes \$25 million in FY 2007, \$40 million in FY 2009, and \$22.7 million in FY 2011, with final payoff in FY 2031. Overall, the issuances would increase the secondary property tax rate by an average of \$0.57. A total of 16 new projects and 5 renovation projects are planned for the district's 2 main campuses in Sierra Vista and Douglas, and 2 smaller facilities in Willcox and Benson.

Arizona State Schools for the Deaf and the Blind Capital Projects and Procurement Method – The Committee favorably reviewed the preliminary expenditure plan for the \$19 million capital appropriation and the use of the Construction Manager at Risk procurement method, with the provision that ASDB contract with a third party to assist with the project. ASDB will use the funding to construct a new Middle School and High School on the Phoenix campus, and construct a new Vocational Building, remodel the annex and install air conditioning in dorms at the Tucson campus. To the extent additional funding remains available, ASDB may also construct a new Student Health Center in Tucson and renovate existing space on the Phoenix campus. ASDB is required to submit the scope, purpose and estimated cost of the projects to the Committee before construction begins.

Arizona Department of Transportation FY 2007 Professional and Outside Services and Traffic Congestion Measures – The Committee favorably reviewed the use of up to \$34.6 million for consulting services expenditures through the end of October. The Committee intends to review the full year expenditure plan after it has had time to review the Auditor General report on Construction Management. The Committee also included a provision that ADOT report back on spending plans for Statewide Transportation Acceleration Needs Account monies by December 31, 2006, and adopted the highway congestion performance measures with the stipulation that ADOT report on these performance measures as part of next year's review.

Arizona Department of Transportation FY 2007 Building Renewal – The Committee favorably reviewed the \$3,702,900 Building Renewal allocation plan, which includes \$3,627,100 from the State Highway Fund for 142 projects and contingencies, and \$75,800 from the State Aviation Fund for 1 project at the Grand Canyon Airport. The review included provisions related to reporting of transfers between projects, and allocations from contingency amounts.

Arizona Department of Administration FY 2006 Building Renewal Reallocations – The Committee favorably reviewed the reallocation of \$422,200 from FY 2006 building renewal to fund water leak repairs at the Capitol Center Building, completion of chiller replacements at the Department of Revenue building, and contingencies. The \$422,200 became available from projects that were completed under budget or funded with non-building renewal monies.

Arizona Department of Administration FY 2007 Building Renewal – The Committee favorably reviewed the \$7,249,200 Building Renewal allocation plan, which includes 12 projects plus emergencies and contingencies.

Arizona Department of Administration Energy Conservation Project – The Committee favorably reviewed the use of \$521,200 from ADOA's utility budget to fund energy conservation projects that include lighting controls, HVAC lockouts and vending misers to ensure these systems are only in operation when needed. ADOA estimates annual utility savings of \$300,200. ADOA also anticipates the projects to generate \$212,300 in rebates from the utility provider. The rebates will be returned to the utilities budget.

Arizona Department of Water Resources City of Williams Dam Repair – The Committee favorably reviewed the use of \$1.5 million appropriated to repair the City of Williams dam. Deficiencies to be addressed include stabilizing the dam wall and downstream slope, as well as fixing seepage and improving flood capacity. Local matching contributions of \$136,000 will also be applied to the project.