

JCCR MEETING

At its August 22nd meeting, the Joint Committee on Capital Review considered the following issues:

DES Data Center Upgrades – The JCCR favorably reviewed the Department of Economic Security (DES) plan for upgrades to its data center. The \$960,700 project will replace the Uninterrupted Power Supply (UPS) system at its data center, and includes facility modifications. The department was appropriated \$1.4 million from the General Fund in FY 2000 for upgrades to its data center. The Committee also requested that any unspent monies revert to the General Fund when the project is completed.

NAU Bond Projects – The JCCR approved the issuance of revenue bonds in the amount of \$31.7 million for the Communications Building Renovation, Modular Swing Space, Gateway Student Success Center, and Campus Infrastructure Upgrades at Northern Arizona University (NAU). The bond issuance will be \$13.1 million for the communication renovation, \$2.6 million for modular swing space, \$3.2 million for the student center, and \$12.7 million for infrastructure upgrades. The bonds will be repaid over a 30-year period from tuition collections.

Maricopa Community College District Bond Projects – The JCCR favorably reviewed the issuance of revenue bonds in the amount of \$14.8 million for the financing of the Performing Arts Center at South Mountain Community College and the new Student Information System. The bond issuance for the Performing Arts Center will be \$6.7 million and will be repaid over a 20-year period. The bond issuance for the Student Information System will be \$8.1 million and will be repaid over an 8-year period. Both projects will be repaid by student tuition and fees.

SFB Presentation on the New Qwest Contract and the Status of Lease-to-Own Construction Financing – The School Facilities Board (SFB) presented to the Committee information on the revised networking and internet connectivity contract with Qwest. The original purchase order was capped at \$100 million and required Qwest to provide all Arizona schools with internet connectivity and networking capabilities within and across school districts. However, it was structured on a pay-as-you-go basis and Qwest was not bound to complete the project in all Arizona schools. Since the \$100 million cap was exceeded, Qwest halted the work. In order to complete all Arizona schools, the board approved a new funding level of \$140.8 million.

Discussion on the Qwest contract was not concluded and will be continued along with the Lease-to-Own discussion at the next meeting.