

JCCR MEETING

At its September 21 meeting, the Joint Committee on Capital Review considered the following issues:

ASH Construction Fund Transfer – The JCCR approved the transfer of the remaining \$3.5 million from the Arizona State Hospital (ASH) Construction Fund appropriation for ASH renovations and expansions to ASH related building renewal projects. The Department of Health Services also stated it would like to take a year to analyze forensic population changes before proposing a plan for forensic related renovations at the ASH campus.

ADOA Building Renewal – The JCCR favorably reviewed a revised allocation plan for an additional \$1.3 million of the \$3.5 million FY 2005 building renewal appropriation from the Capital Outlay Stabilization Fund. Combined with \$1 million that was favorably reviewed at its August meeting, the Committee has favorably reviewed \$2.3 million. The Committee review included a provision that ADOA submit an allocation plan for the remaining \$1.2 million of the \$3.5 million appropriation.

Lottery Building Renewal – The JCCR favorably reviewed the FY 2005 building renewal allocation plan of \$41,200 for 4 projects. The plan includes parking lot resurfacing, fixture replacements and drainage corrections. The \$41,200 includes \$4,700 for contingencies.

Treasurer Rent Exemption – The JCCR recommended that ADOA authorize a FY 2005 rent exemption of \$40,000 for the Treasurer's Office. The Treasurer's Office would use the \$40,000 to pay for temporary space while its permanent space is renovated. A total of \$320,000 was allocated in the FY 2005 budget for tenant improvements to the Treasurer's Office.

ADOT 5-Year Transportation Plan – The JCCR received a report on the FY2005-FY2009 Transportation Construction Program. The 5-year plan allocates \$3.8 billion. The Committee requested additional information related to "over capacity" road segments and future changes to the 5-year plan.

ADOT East Valley Maintenance Yard – The JCCR favorably reviewed the scope, purpose and estimated cost of the project and requested that ADOT provide the Committee with corrective measures to ensure that future capital projects do not move forward prior to Committee review.

ASU Scottsdale Center for New Technology and Innovation (Los Arcos) – The JCCR received a report on the proposed development of the new center by the ASU Foundation. ASU Foundation representatives were unavailable and the Committee decided to pursue future follow-up on the item as well as the role and commitment ASU would have in the development.

ASU Laboratory Renovations – The JCCR favorably reviewed \$11.4 million of a \$20 million bond issuance for Phase II of the Instructional/Research Laboratory Renovations project. The \$11.4 million would fund 14 projects in various labs throughout the university. Committee review of the remaining \$8.6 million will be required. The bonds will be repaid over a 20 year period from tuition collections (\$0.4 million annually) and other non-appropriated funds (\$1.2 million annually).

The review included provisions noting that a favorable review did not constitute endorsement of General Fund appropriations for operational costs when the project was complete and requiring reporting on the use of project contingency allocations.

The Committee also received a report on the allocation of the remaining \$1.7 million from the \$10 million bond issuance for Phase I of the Instructional/Research Laboratory Renovations project. The Committee favorably reviewed the project in December 2003. The \$1.7 million will be allocated among 6 renovation projects.

U of A Capital Project Contingency Allocations – The JCCR received reports on the reallocation of contingency monies to cover higher than expected construction material costs and to upgrade laboratory and security equipment for the Medical Research Building, the Thomas W. Keating Bioresearch Buildings, and the Roy P. Drachman Hall. The individual total budgets for the three projects remain unchanged from the original amounts.