

Capital Outlay

Arizona Department of Administration Building System

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DESCRIPTION	FY 2009 JLBC
BUILDING RENEWAL	
Arizona Department of Administration	6,100,000
Arizona Exposition and State Fair Board	1,794,300
Game and Fish Department	531,000
Arizona Lottery Commission	68,000
SUBTOTAL	8,493,300
INDIVIDUAL PROJECTS	
Arizona Department of Administration	
Capitol Mall Fire Systems Replacement	491,000
Former Health Laboratory Renovation	2,207,000
Department of Economic Security	
Navajo Multipurpose Center	1,000,000
Game and Fish	
Headquarters Construction	80,000
Boat Shade Canopies	120,000
Boat Registration Kiosks	240,000
Shooting Range Access	150,000
Preventative Maintenance	30,000
DPS Microwave Communications System	207,000
Regional (Yuma) Office Remodel/Expansion	954,000
Regional (Mesa) Office Paving Project	250,000
Department of Public Safety	
Microwave Communications System	1,500,000
Office of Tourism	
Yuma Welcome Center	1,000,000
SUBTOTAL	8,229,000
TOTAL - ALL PROJECTS	16,722,300
FUND SOURCES	
General Fund	5,707,000
<u>Other Appropriated Funds</u>	
Capital Outlay Stabilization Fund	6,591,000
Arizona Exposition and State Fair Fund	1,794,300
Game and Fish Fund	768,000
Game and Fish Capital Improvement Fund	1,354,000
State Lottery Fund	68,000
Watercraft Licensing Fund	440,000
SUBTOTAL - Other Appropriated Funds	11,015,300
SUBTOTAL - Appropriated Funds	16,722,300
Federal Funds	1,600,000
TOTAL - ALL SOURCES	18,322,300

DESCRIPTION — The Arizona Department of Administration (ADOA) Building System is comprised of buildings controlled by all state agencies except the Arizona Board of Regents and Arizona Department of Transportation. Capital appropriations may be made directly to an agency within the system, to ADOA on behalf of an agency, or to ADOA for the entire system. The following amounts for FY 2009 are for specific projects within the building system. Appropriations for ADOA Building System projects may be from the General Fund or Other Funds.

The following amounts are one-time appropriations.

Building Renewal

Building Renewal OF \$8,493,300

The JLBC includes \$8,493,300 from Other Funds in FY 2009 for Building Renewal within the Arizona Department of Administration (ADOA) Building System. This amount consists of:

- \$6,100,000 from the Capital Outlay Stabilization Fund (COSF) to ADOA to fund 20% of the building renewal formula. In FY 2008, the formula was funded at \$7,257,100, or 26%.
- \$1,794,300 from the Arizona Exposition and State Fair Fund to the Arizona Exposition and State Fair Board to fund 100% of the building renewal formula.
- \$531,000 from the Game and Fish Fund to the Arizona Game and Fish Department to fund 100% of the building renewal formula.
- \$68,000 from the State Lottery Fund to the Arizona State Lottery Commission to fund 100% of the building renewal formula.

Building renewal appropriations are used for major repair and maintenance of state-owned buildings. The budget continues footnotes that allow up to \$275,000 and up to 5 FTE Positions be appropriated each year from building renewal monies to ADOA for supervision and management of building renewal projects, and a requirement that unused building renewal monies revert on June 30, 2010.

Arizona Department of Administration

Capital Mall Fire Systems

Replacement OF 491,000

The JLBC includes \$491,000 from COSF in FY 2009 to ADOA for the replacement of fire alarm systems at 5 Capitol Mall buildings. The fire systems at these buildings are 8-10 years old, and replacement parts are no longer available for the systems since the manufacturer is out of business. The current systems have been maintained by purchasing used parts. According to ADOA, the useful life of a fire alarm system is 13-15 years if parts are readily available. ADOA has requested \$594,600 to replace fire alarm systems at 5 more buildings in FY 2010 and \$1,175,000 for 7 additional buildings in FY 2011, which would be the last year for the project.

Former Health Laboratory

Renovation GF 2,207,000

The JLBC includes \$2,207,000 from the General Fund in FY 2009 to ADOA for the renovation of the former state health laboratory. The total cost of the project is \$4,414,000. Laws 2007, Chapter 257 advance appropriated \$2,207,000 in both FY 2008 and FY 2009 so these monies will not appear in the Capital Outlay Bill.

The 27,100 square foot facility has been two-thirds vacant since the new state health laboratory opened in FY 2004. The combined funding would allow the renovation of the laboratory to replace the existing 23,300 square foot Department of Agriculture laboratory, and allow for the sale of the current Agriculture lab. ADOA estimates that the sale could generate approximately \$890,000 to the state after expenses to demolish the existing facility. The planned renovations would extend the life of the building by 10 years.

Department of Economic Security

Navajo Multipurpose Center GF 1,000,000

The JLBC includes \$1,000,000 from the General Fund in FY 2009 to the Department of Economic Security for distribution to the Navajo Tribe for a multipurpose center. The total cost of the project is \$2,000,000. Laws 2007, Chapter 257 advance appropriated \$1,000,000 in both FY 2008 and FY 2009 so these monies will not appear in the Capital Outlay Bill.

Game and Fish Department

The JLBC includes \$2,031,000 from Other Funds in FY 2009 for Arizona Game and Fish Department projects. This amount consists of:

Game and Fish Capital Improvement Fund	1,354,000
Game and Fish Fund	237,000
Watercraft Licensing Fund	440,000

(All Building Renewal and Statewide Facilities Improvements, including preventative maintenance, are funded from the Game and Fish Fund.)

Game and Fish Statewide Projects

Headquarters Construction OF 80,000

The JLBC includes \$80,000 from the Watercraft Licensing Fund in FY 2009 for the Watercraft/Off-Highway Vehicle Division's portion of debt service payments for the Ben Avery headquarters building. The payment would normally be an operating expenditure, but Game and Fish already has an FY 2009 operating appropriation so it will be included in the FY 2010 operating budget. The same amount was appropriated in FY 2008.

The agency has moved to a replacement headquarters at the Ben Avery shooting range. The agency has a privatized lease-to-own agreement for lease back of the facilities over 25 years, with annual payments of approximately \$1,500,000 from the non-appropriated Wildlife Conservation Fund plus \$80,000 from the Watercraft Licensing Fund.

Boat Shade Canopies OF 120,000

The JLBC includes \$120,000 from the Watercraft Licensing Fund in FY 2009 for the construction of 20 boating shade canopies at regional office sites in Kingman

and Yuma. These canopies would serve as storage for department boats and off-highway vehicles. Depending on the height of the canopy, 10 feet or 14 feet, the cost per canopy is estimated to be around \$6,000. In FY 2008, \$195,000 was appropriated for 24 canopies across the state. This is expected to be the last appropriation for this project.

Boat Registration Kiosks OF 240,000

The JLBC includes \$240,000 from the Watercraft Licensing Fund in FY 2009 for the construction of boat registration kiosks in areas which are distantly located from departmental regional offices to provide greater access for boating registration. The same amount was appropriated for this project in FY 2008. Approximately 15-20 kiosks would be installed at Motor Vehicle Department locations throughout the state at estimated costs of \$12,000-\$16,000, depending on location. This is expected to be the last appropriation for this project.

Shooting Range Access OF 150,000

The JLBC includes \$150,000 from the Game and Fish Capital Improvement Fund in FY 2009 for continued shooting range access improvements. The same amount was appropriated for this project in FY 2008, and \$200,000 was appropriated in FY 2007. These improvements would partially resurface roadways at the department's 5 shooting ranges, which are generally unpaved or paved to light-duty standards.

Preventative Maintenance OF 30,000

The JLBC includes \$30,000 from the Game and Fish Fund in FY 2009 to continue funding for preventative maintenance. The program was initiated in FY 2005 and was anticipated to receive ongoing annual funding. The program addresses unexpected facility maintenance expenses requiring immediate action and is separate from building renewal projects.

DPS Microwave

Communications System OF 207,000

The JLBC includes \$207,000 from the Game and Fish Fund in FY 2009 for the Game and Fish share of design, construction, and implementation of a microwave communications system upgrade. Because Laws 2006, Chapter 345 advance appropriated this amount for FY 2007, FY 2008, and FY 2009, these monies will not appear in the Capital Outlay Bill. (*See DPS Microwave Communication System and ADOT capital sections for more information.*)

Game and Fish Region IV (Yuma) Projects

Yuma Regional Office

Remodel/Expansion OF 954,000

The JLBC includes \$954,000 from the Game and Fish Capital Improvement Fund in FY 2009 for the expansion and renovation of the regional office located in Yuma.

Originally built in 1991, the current office is approximately 6,000 square feet in size. This expansion would add a total of 2,550 square feet, adding 1,800 square feet of additional office space and enlarging the conference room by 750 square feet. The department estimates the cost per square foot for new construction at \$160, which includes a 10% project contingency rate. This amount is reasonable for a project of this type.

In addition, the adjacent warehouse building will also be expanded from 3,750 square feet to 7,500 square feet. Total costs to expand the office and warehouse buildings are estimated by the department to be \$770,900.

The current office building will also be renovated during the expansion, replacing the existing carpet, painting the exterior and interior of the building, and replacing metal roofing tiles. The capacity of the electrical and HVAC systems will be upgraded to accommodate the additional space. Renovation costs for this project are anticipated to be \$174,600.

The project will also require new landscaping. The cost for this improvement is expected to be \$8,500.

Game and Fish Region VI (Mesa) Projects

Mesa Regional Office

Paving Project OF 250,000

The JLBC includes \$250,000 from the Game and Fish Capital Improvement Fund in FY 2009 for paving in the fleet and equipment storage area of the Mesa Regional Office.

Paving would bring the area into compliance with local dust control ordinances. It would also mitigate on-site drainage problems.

Department of Public Safety

Microwave

Communications System GF 1,500,000

The JLBC includes \$1,500,000 from the General Fund in FY 2009 to the Department of Public Safety (DPS) to upgrade the microwave communications system. The total cost of the project is \$4,500,000. Laws 2006, Chapter 345 advance appropriated \$1,500,000 in FY 2007, FY 2008, and FY 2009 so these monies will not appear in the Capital Outlay Bill.

In addition to the \$1,500,000 from the General Fund, Chapter 345 appropriated \$207,000 from the Game and Fish Fund (*see Game and Fish section above*) and \$826,000 from the State Highway Fund (*see Arizona Department of Transportation capital section*) in each of FY 2007, FY 2008, and FY 2009 to provide a total appropriation of \$2,533,000. The amounts are to be transferred to DPS for the system. DPS may use up to \$295,600 for up to 4 Full-Time Equivalent (FTE) Positions to provide project management.

Chapter 345 also intended that \$1,600,000 of federal homeland security monies be distributed in each of FY 2007, FY 2008, and FY 2009 to DPS for the project. DPS has not responded to JLBC Staff requests on if they have received any federal monies for this purpose.

The funding will be used to begin conversion of the department's analog microwave radio system with a digital system. The microwave system is the backbone of the DPS statewide radio system. The radio system provides dispatch control of radio base stations and connects 53 remote radio communication sites and 20 state office locations. In addition, data from the Arizona Criminal Justice System is also sent over the microwave system to criminal justice agencies around the state.

The complete upgrade includes 3 segments (south, west, and north). Each segment of the system operates independently enabling single or multiple digital segments to coexist with the current analog system. The cost to upgrade all 3 segments is estimated to be \$60,000,000, including \$12,100,000 to upgrade the first segment (south).

Office of Tourism

Yuma Welcome Center GF 1,000,000

The JLBC includes \$1,000,000 from the General Fund in FY 2009 to the Office of Tourism for distribution to the City of Yuma to complete the Yuma Welcome Center. The total cost of the project is \$2,000,000. Laws 2007, Chapter 257 advance appropriated \$1,000,000 in both FY 2008 and FY 2009 so these monies will not appear in the Capital Outlay Bill.

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FORMAT — Lump Sum by Project by Fund

FOOTNOTES

Standard Footnotes

Building Renewal

Notwithstanding A.R.S. § 41-793.01, the amounts appropriated in this section are appropriated for FY 2009 and shall be used by the applicable agency for major maintenance and repair activities for state buildings in accordance with Title 41, Chapter 4, Article 7, Arizona Revised Statutes. Twenty-five per cent or less of the monies may be spent for state building modifications to comply with the federal Americans with Disabilities Act (42 United States Code sections 12101 through 12213 and 47 United States Code sections 225 and 611) or for major maintenance and repair activities for state infrastructure. The monies may be used only for facilities on the state building inventory or for infrastructure that directly supports those facilities. Of the amounts appropriated to the ADOA, up to \$275,000 in Personal Services and Employee Related Expenditures for up to 5 FTE Positions may be allocated each fiscal year until the Building

Renewal projects are completed. All other monies appropriated in this section shall not be spent for Personal Services or Employee Related Expenditures or for maintenance contracts on building components and equipment without review by the Joint Committee on Capital Review. Any monies appropriated for building renewal in FY 2009 that are unexpended or unencumbered on June 30, 2010 shall revert to the fund from which the monies were appropriated. The Building Renewal expenditure plans submitted by agencies for review by the Joint Committee on Capital Review shall identify the components for each project that incorporate energy efficient systems.

The Department of Administration shall allocate the monies to state agencies for necessary building renewal. If monies in the Capital Outlay Stabilization Fund are insufficient to fund the appropriation to the Department of Administration for building renewal, the appropriation to the Department of Administration shall be reduced by the difference between the amount appropriated to the Department of Administration from the Capital Outlay Stabilization Fund and the balance in the Capital Outlay Stabilization Fund.

Individual Projects

The Department of Administration shall report on the status of project-specific FTE Positions for capital projects in its annual capital budget request.

The Department of Administration may allocate FTE Positions authorized for specific projects to other projects in this act provided that funding for the FTE Positions is cost allocated among the projects receiving benefit. The Department of Administration shall report any FTE Position reallocations to the Joint Committee on Capital Review by December 31, 2008.

Unless otherwise specified, the monies appropriated in this act shall not be spent for Personal Services or Employee Related Expenditures of state employees, excluding any services provided as part of the inmate construction program for correctional facilities.

Unless otherwise specified, the appropriations made in this act do not lapse until the purpose for which the appropriation was made has been accomplished or abandoned, or the appropriation stands for a full fiscal year without an expenditure or an encumbrance.