



STATE OF ARIZONA

Joint Committee on Capital Review

STATE
SENATE

DON SHOOTER
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STEVE FARLEY
GAIL GRIFFIN
KATIE HOBBS
JOHN KAVANAGH
STEVEN B. YARBROUGH

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RICK GRAY
VINCE LEACH
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MINUTES OF THE MEETING

JOINT COMMITTEE ON CAPITAL REVIEW

April 5, 2016

Vice-Chairman Shooter called the meeting to order at 8:07 a.m., Tuesday, April 5, 2016 in House Hearing Room 1. The following were present:

Members:	Senator Shooter, Vice-Chairman	Representative Olson, Chairman
	Senator Farley	Representative Alston
	Senator Griffin	Representative Gray
	Senator Hobbs	Representative Meyer
	Senator Kavanagh	
Absent:	Senator Cajero Bedford	Representative Leach
	Senator Yarbrough	Representative Montenegro

APPROVAL OF MINUTES

Hearing no objections from the members of the Committee to the minutes of December 15, 2015, Vice-Chairman Don Shooter stated that the minutes would stand approved.

NORTHERN ARIZONA UNIVERSITY (NAU) - Review of Dining Renovation Financing Project.

Mr. Matt Beienburg, JLBC Staff, stated NAU is requesting review of \$14,000,000 in system revenue bond issuances to fund a \$22,000,000 renovation of the South Dining DuBois Center facilities. Auxiliary revenues from NAU's contracted food services operation will pay for the debt service on the \$14,000,000. NAU's food service vendor will pay the remaining \$8,000,000 of the \$22,000,000 renovation cost with an up front cash payment. The JLBC Staff presented options to the Committee.

Mr. Jennis L. Burton, Vice President for Finance and Administration, NAU, responded to member questions.

(Continued)

Senator Kavanagh moved that the Committee give a favorable review of the \$14,000,000 bond project. The favorable review includes the following:

Standard University Financing Provisions

- A. A favorable review by the Committee does not constitute endorsement of General Fund appropriations to offset any revenues that may be required for debt service, or any operations and maintenance costs when the project is complete.
- B. NAU shall provide the final debt service schedules for the projects as soon as it is available.

The motion carried.

ARIZONA DEPARTMENT OF ADMINISTRATION (ADOA) - Consider Recommending FY 2016 Partial Rent Exemptions.

Ms. Rebecca Perrera, JLBC Staff, stated that A.R.S. § 41-792.01D authorizes the Director of ADOA, on recommendation from the JCCR, to grant a full or partial exemption from the payment of state-owned rental fees if the agency has vacated its space or if the agency does not have the financial resources to make the payment. The JLBC Staff presented options to the Committee.

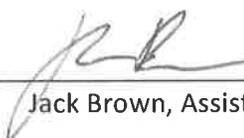
Senator Kavanagh moved that the Committee recommend a partial rent exemption of \$(3,200) for the Attorney General (AG) and \$(5,800) for ADOA to be replaced by a corresponding rent payment of \$9,000 for the Department of Emergency and Military Affairs in FY 2016. The motion carried.

Without objection, the meeting adjourned at 8:16 a.m.

Respectfully submitted:



Kristy Paddack, Secretary



Jack Brown, Assistant Director



Representative Justin Olson, Chairman