

STATE OF ARIZONA

Joint Committee on Capital Review

STATE
SENATE

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MINUTES OF THE MEETING JOINT COMMITTEE ON CAPITAL REVIEW

Tuesday, June 16, 2009

The Chairman called the meeting to order at 8:10 a.m., Tuesday, June 16, 2009 in Senate Appropriations Room 109. The following were present:

Members:	Senator Pearce, Chairman	Representative Kavanagh, Vice-Chairman
	Senator Aguirre	Representative Lujan
	Senator Allen	Representative McComish
	Senator Garcia	Representative McLain
	Senator Gray	Representative Sinema
	Senator Melvin	
Absent:	Senator Aboud	Representative Crandall
		Representative Schapira

APPROVAL OF MINUTES

Hearing no objections from the members of the Committee, Chairman Russell Pearce stated the minutes of February 24, 2009 would stand approved.

ARIZONA GAME AND FISH DEPARTMENT - Review of Capital Improvement Projects.

Ms. Caitlin Acker, JLBC Staff, stated that the Arizona Game and Fish Department was previously appropriated \$2.1 million from the Game and Fish Capital Improvement Fund for 3 projects. These monies are not available to help the FY 2010 budget shortfall due to federal regulations that restrict their use.

Representative Kavanagh moved that the Committee give a favorable review to the Arizona Game and Fish Department's request for 3 capital improvement projects which include \$800,000 for the Black Canyon Dam modification project, \$1,050,000 for the Flagstaff Regional Office remodeling project, and \$250,000 for the Mesa Regional Office paving project. The motion carried.

(Continued)

ARIZONA DEPARTMENT OF ADMINISTRATION

A. Consider Recommending FY 2010 Quarterly Rent Payments for the Arizona Board of Osteopathic Examiners.

Mr. Juan Beltran, JLBC Staff, stated that this item is for the Committee to consider recommending quarterly rent payments for the Arizona Board of Osteopathic Examiners in FY 2010.

Representative Kavanagh moved that the Committee recommend the FY 2010 quarterly rent payments in September and December 2009 followed by a payment of the balance in January 2010 instead of 1 annual payment due by the beginning of FY 2010 for the Arizona Board of Osteopathic Examiners. The motion carried.

B. Review of the Department of Health Service's Arizona State Hospital Forensic Unit Project.

Ms. Leatta McLaughlin, JLBC Staff, stated that this item is for the Department of Health Service's Arizona State Hospital (ASH) Forensic Unit Project. These monies were appropriated 2 years ago. In December of 2007, JCCR favorably reviewed and approved ADOA's request of a \$32.2 million lease-purchase agreement to construct this forensic unit. ADOA is now requesting Committee review of the scope, purpose, and estimated cost of the project because they want to start construction at the end of the month.

Ms. Lynne Smith, Assistant Director, ADOA, General Services Division, responded to member questions.

Mr. John Cooper, Superintendent, ASH, responded to member questions.

Prior to completing its review, the Committee would like to know how the cost per square foot compares with similar forensic units in mental health facilities.

In addition, the Committee would like to know if there is flexibility in the design process that would help to save money and if there are elements of this project where the minimum standards have been exceeded.

Representative Kavanagh moved that the Committee give a favorable review of only renovating ASH's 24th Street entrance into the new secure main entrance for the entire campus. The motion carried.

The remainder of the ASH project will still require JCCR review prior to beginning construction.

C. Report on FY 2009 Building Renewal Projects.

Ms. Leatta McLaughlin, JLBC Staff stated that this item is a report on the ADOA's FY 2009 building renewal projects. Statute requires Committee review of building renewal plans before expenditure of monies. ADOA has stated that they are seeking Committee review for 4 projects they consider to be emergencies totalling about \$217,300. However, these requests were submitted after ADOA began the projects. These 4 projects include \$88,000 for elevator repairs at the Supreme Court building, \$61,800 for fire alarm repairs at the Senate building, \$38,000 for elevator repairs at 1300 West Washington, and \$29,500 for a broken water line at 1400 West Washington.

Since work has been completed or is already underway, the Chairman has decided not to place these 4 projects on the agenda for review. The Chairman recommends, however, that the Committee clarify its policy on emergency spending for FY 2009 and FY 2010.

(Continued)

Ms. Lynne Smith, Assistant Director, ADOA, General Services Division, responded to member questions.

Representative Pearce requested to meet with Mr. Bill Bell, Director, ADOA, to review the process for building renewal spending prior to the Committee taking action on an emergency spending policy.

Without objection, the meeting adjourned at 9:00 a.m.

Respectfully submitted:

Sandy Schumacher, Secretary

Leatta McLaughlin, Principal Fiscal Analyst

Senator Russell Pearce, Chairman

NOTE: A full audio recording of this meeting is available at the JLBC Staff Office, 1716 W. Adams. A full video recording of this meeting is available at <http://www.azleg.gov/jlbc/meeting.htm>.