At its August 24, 2006 meeting, the Joint Committee on Capital Review (JCCR) considered the following issues:

**Arizona State University Academic Renovations and Deferred Maintenance Bond** – The Committee favorably reviewed the issuance of $10.0 million in system revenue bonds for Phase IIA of academic renovations and deferred maintenance projects. Phase IIA includes 11 renovations and maintenance projects, covering 62,386 square feet, and costing $9.2 million (including $1.7 million for project contingencies).

Of the 11 projects, the per square foot costs of the School of Earth and Space Exploration project is by far the most expensive, at over $1,100 per square foot (the average cost for all 11 projects is $148 per square foot). The high costs associated with the project will be partially offset by indirect costs that can be charged to research grants of new faculty that will occupy the renovated space. The research grants associated with the School of Earth and Space Exploration project allow up to 20% of the grant to be utilized for certain indirect costs, including construction and maintenance expenditures.

**Arizona Department of Transportation Land Purchase** – The Committee approved the use of $1,779,000 to purchase 6.2 acres of land for the new Surprise MVD Service Center with the provision that the purchase price not exceed the appraised value. The new 14,500 square foot MVD Service Center, which will cost an average of $286,900 per acre, will replace the current 6,200 square foot facility.

**Arizona Department of Administration Rent Exemption for the Structural Pest Control Commission** – The Committee favorably reviewed the $8,800 rent exemption requested for the Structural Pest Control Commission (SPCC). The rental exemption was authorized so as to reflect actual space used by the SPCC.