At its December 18, 2018 meeting, the Joint Committee on Capital Review considered the following issues:

**Regular Agenda**

**Arizona Department of Corrections** – Review of FY 2019 Building Renewal Reallocation Plan – The Committee gave a favorable review of a $500,000 project to upgrade the perimeter fence at the Douglas Eggers Unit. The project will be funded with reallocated FY 2019 building renewal monies. The review included provisions from the agency’s initial building renewal allocation plan review in July 2018.

**Arizona State Parks** – Report on Status of Capital Projects – Arizona State Parks provided information on the status of its capital projects, including reviewed projects, projected capital expenditures, and monies spent. The Committee was not required to take action on this item.

**Arizona State University** – Consider Approval of Health Solutions Innovation Center (HSIC) Financing Project – The Committee approved a $80,000,000 bond issuance to fund construction of the Health Solutions Innovation Center, which includes lab and instructional spaces for health professions and biomedical science programs. The debt service will be paid 50% with tuition and 50% with Capital Infrastructure Fund ($1 billion bonding) appropriations. The favorable review included standard university financing provisions.

**Arizona State University** – Consider Approval of Building Infrastructure Financing Project – The Committee approved a $32,000,000 bond issuance to fund building infrastructure projects, including replacement of fire suppression systems, building transformers, and electrical distribution equipment, as well as a utility mapping project. The debt service will be paid 50% with tuition and 50% with Capital Infrastructure Fund ($1 billion bonding) appropriations. The favorable review included standard university financing provisions and an additional provision relating to the utility mapping project.

**University of Arizona** – Review of "Student Success District" Project – The Committee gave a favorable review of a $81,000,000 project to develop a 'Student Success District' on its main campus, which will include a new student services building, as well as renovations to Bear Down Gym, the Science-Engineering Library, the Main Library, and outdoor spaces. The project includes a $64,700,000 system revenue bond issuance, paid primarily by student fees, with the remaining cost funded by gifts and other university resources. The review included standard university financing provisions.

**University of Arizona** – Review of Phoenix Biomedical Partnership Building Shell Space Project – The Committee gave a favorable review of a $34,000,000 project to build out the 3rd and 4th floors of the Phoenix Biomedical Sciences Partnership Building into lab space. The project includes $18,600,000 of system revenue bonds, paid by university resources and rental income, and $15,400,000 of lottery revenue (SPEED) bonds, paid 80% by state lottery revenues and 20% by university resources. The review included standard university financing provisions.

**Consent Agenda**

**Arizona Game and Fish Department** – Review of Sipe Wildlife Area Barn Stabilization – The Committee gave a favorable review of $35,500 from the agency’s FY 2019 building renewal monies to fund a stabilization project for a barn structure in the Sipe Wildlife Area, which is used for equipment storage. The remainder of the project cost, $154,000, will be funded using federal funds.

**Department of Health Services** – Review of Arizona State Hospital Lease Agreement – The Committee gave a favorable review of a lease agreement of Arizona State Hospital property. The agency renewed a lease with the City of Phoenix to provide contracted behavioral health, alcohol abuse, and substance abuse services, and will use $90,000 in annual lease revenue to fund deferred maintenance projects.

**Arizona State Lottery Commission** – Review of FY 2019 Building Renewal Allocation Plan – The Committee gave a favorable review of $126,300 for the agency’s FY 2019 building renewal allocation plan, which includes projects at the Phoenix facility to repaint and seal the building exterior, reseal windows, and an evaluation to re-route parking lot drainage. The review included a provision with a reporting requirement.

**Arizona State University** – Review of Classroom, Academic and Research Laboratory Renovations – The Committee gave a favorable review of $25,000,000 in system revenue bond issuances to renovate classroom, academic, and research lab space. Renovations include reconfiguring classroom and academic space to accommodate varying class sizes and upgrades to wet and dry lab spaces. The debt service will be paid with tuition. The favorable review included standard university financing provisions.

**University of Arizona** – Review of Steward Observatory Project – The Committee gave a favorable review of a $11,000,000 project to renovate the Steward Observatory Building, including replacement of
mechanical, electrical, and plumbing systems. The project will be funded with cash from Capital Infrastructure Fund ($1 billion bonding) appropriations. The review included a standard university financing provision.