At its May 10 meeting, the Joint Committee on Capital Review considered the following issues:

**Pinal Community College District Bond Proposal** – The Committee gave a favorable review to a $435.2 million general obligation (GO) bond issuance scheduled for a May 17 election, with the provision that the Pinal Community College District return to the Committee for review prior to each actual bond issuance. The district plans to have 4 issuances, with an issuance occurring every 5 years. The first issuance is scheduled for FY 2006. Overall, the issuances would increase the secondary property tax rate by an average of $0.54, peaking at $0.94 in FY 2018 when the 5th and final issuance occurs. The major projects related to the bonding authority include 2 new campuses (San Tan and Maricopa) and renovation and expansion of the Superstition campus.

**Yuma-La Paz Community College District Bond Proposal** – The Committee gave a favorable review to the $20 million GO bond issuance with the provision that the Yuma-La Paz Community College District submit the projects for the remaining $53.9 million in bonding authority prior to the issuance. The Committee favorably reviewed the entire $73.9 million proposal at its August 2004 meeting. The $20 million issuance will be repaid over a 25-year period and is estimated to increase the secondary property tax rate by an average of $0.13 over the life of the bond. The major projects related to the bonding authority include Science and Agriculture Complex buildings, Community Center buildings and campus infrastructure.

**State Fair Building Renewal** – The Committee gave a favorable review to the Arizona Exposition and State Fair (AESF) FY 2005 Building Renewal Allocation Plan of $1,007,000, with the provisions that the AESF be able to use up to $100,000 of the remaining $240,400 as a contingency amount to complete submitted projects, and that AESF submit for committee review an allocation plan for the remaining $140,400 if funds are allocated to new projects. The plan includes projects related to fencing, paving, roofing, light fixtures and cabling infrastructure.

**ADOA Building Renewal** – The Committee gave a favorable review to the Arizona Department of Administration’s Revised FY 2005 Building Renewal Allocation Plan, which revised the cost of a Department of Corrections air handlers project from $300,000 to $100,000, and allocated $812,000 for 6 new projects. The Committee has now reviewed the entire $3.5 million building renewal allocation plan.

**ABOR Office Leases** – The Committee received the biennial report from the Arizona Board of Regents on all leases which exceed the average lease cost per square foot as determined by the Lease Cost Review Board (LCRB). The report noted that 30 of 168, or 17.8%, of FY 2003 and 32 of 186, or 17.2% of FY 2004 private leases approved by ABOR exceeded the LCRB rates of $17.25 and $18.25 per square foot, respectively.