



STATE OF ARIZONA

Joint Committee on Capital Review

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MINUTES OF THE MEETING

JOINT COMMITTEE ON CAPITAL REVIEW

December 18, 2024

The Chairman called the meeting to order at 12:53 p.m. Wednesday, December 18, 2024 in Senate Hearing Room 109. The following were present:

Members:	Senator Kavanagh, Vice-Chairman	Representative Livingston, Chairman
	Senator Bennett	Representative Biasiucci
	Senator Diaz	Representative Carbone
	Senator Fernandez (Temporary member in place of Senator Alston)	Representative Stahl-Hamilton (Temporary member in place of Representative Austin)
Absent:	Senator Alston	Representative Austin
	Senator Borrelli	Representative Blattman
	Senator Hoffman	Representative Chaplik
	Senator Epstein	Representative Contreras

APPROVAL OF MINUTES

Senator Kavanagh moved that the Committee approve the minutes of November 13, 2024. The motion carried.

Chairman Livingston announced that the following consent and regular agenda items were being held:

- 6A. UNIVERSITY OF ARIZONA (UA) - Review of the Center for Applied Molecular and Immunological Therapies (CAMI) Building.
- 6B. UNIVERSITY OF ARIZONA (UA) - Consider Approval of Deferred Maintenance Projects.
- 6C. UNIVERSITY OF ARIZONA (UA) - Review of UA Health Sciences Building 201 Renovation.
- 6D. UNIVERSITY OF ARIZONA (UA) - Review of Arizona Public Media Building.

CONSENT AGENDA

The following items were considered without further discussion:

1. ARIZONA DEPARTMENT OF AGRICULTURE (AZDA) - Review of Rio Rico Building Purchase.

The Arizona Department of Agriculture (AZDA) requested Committee review of its purchase of 141 Paseo De Yucatan Drive in Rio Rico pursuant to A.R.S. § 41-1252. AZDA plans to spend a total of \$4,200,000 from the Federal-State Inspection Fund to purchase and renovate this building to address its increased inspection workload over the last 5 years. The JLBC Staff provided options.

2. ARIZONA DEPARTMENT OF CORRECTIONS (ADC) - Review of FY 2024 HVAC Funding.

A.R.S. § 41-1252 requires Committee review of expenditure plans for monies appropriated for capital projects. The Arizona Department of Corrections (ADC) requested review of \$9,800,000 from its FY 2024 appropriation to replace evaporative cooling systems with air conditioning. The JLBC Staff provided options.

3. ARIZONA EXPOSITION AND STATE FAIR BOARD (AESF) - Review of State Fair Capital Projects.

A.R.S. § 41-1252 requires Committee review of expenditure plans for monies appropriated for building renewal and capital projects. In addition, a FY 2025 budget footnote allows the Arizona Exposition and State Fair (AESF) Board to spend up to \$3,771,400 of its own monies for enhanced state fair operations on capital projects. AESF requested Committee review of \$2,770,000 from the Arizona Exposition and State Fair Fund for major repair and maintenance projects. The JLBC Staff provided options.

4. DEPARTMENT OF FORESTRY AND FIRE MANAGEMENT (DFFM) - Review of Arizona Interagency Dispatch Center Project.

A.R.S. § 41-1252 requires Committee review of capital projects with estimated costs exceeding \$250,000. The Arizona Department of Forestry and Fire Management (DFFM) requests Committee review of \$4,175,400 from the General Fund to construct a new Arizona Interagency Dispatch Center (AIDC). The JLBC Staff provided options.

5. ARIZONA STATE UNIVERSITY (ASU) - Review of Campus Renovation Projects.

A.R.S. § 15-1683 requires Committee review of any university projects financed with system revenue bonds. Arizona State University (ASU) requested Committee review of \$100,000,000 in system revenue bond issuances for building and infrastructure improvements, and classroom and laboratory renovations across all campuses. ASU will fund debt service payments with tuition revenues. The JLBC Staff provided options and potential 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 operations and maintenance costs when the project is complete.*
- B. *ASU shall provide the final debt service schedule and interest rate for the project as soon as they are available.*

- C. *On or before October 15 of each year until completion of the projects, ASU shall report to the JLBC Staff on the status and expenditures of the projects. The report shall include the project expenditures to date, any changes to the planned construction timeline, the expected completion date, and any change to the scope of the projects.*

Senator Kavanagh moved that the Committee:

- *Give a favorable review of consent agenda item 1 with a provision that AZDA provide end of the calendar quarter reports to the Chairman and JLBC Staff on the status of selling the current property until a final sale. Prior to depositing any sale proceeds into a state fund, AZDA shall request Committee review of their expenditure plan for these monies.*
- *Give a favorable review of consent agenda items 2, 3, 4, and 5 with applicable provisions.*

The motion carried by voice vote.

Without objection, the meeting adjourned at 12:55 p.m.

Respectfully submitted:

Jennifer Burns

Jennifer Burns, Secretary

Richard Stavneak

Richard Stavneak, Director

David Livingston

Representative David Livingston, Chairman