



# **ADOA BUILDING SYSTEM CAPITAL IMPROVEMENT PLAN**

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**FISCAL YEAR 2018**

DOUGLAS A. DUCEY  
GOVERNOR

CRAIG C. BROWN  
DIRECTOR

PREPARED BY

Arizona Department of Administration  
General Services Division  
Planning and Construction Services



Douglas A. Ducey  
Governor

Craig C. Brown  
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ARIZONA DEPARTMENT OF ADMINISTRATION

OFFICE OF THE DIRECTOR

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October 14, 2016

The Honorable Douglas A. Ducey  
Governor of Arizona  
1700 West Washington Street, Ninth Floor  
Phoenix, Arizona 85007

Dear Governor Ducey:

Pursuant to A.R.S. § 41-793, the Arizona Department of Administration (ADOA) is submitting the FY 2018 ADOA Building System Capital Improvement Plan (CIP).

ADOA prepares the CIP on behalf of the ADOA Building System agencies and identifies and recommends proposals for new capital outlay, including fire and life safety, infrastructure, building shell and services, land acquisition, as well as forecasts two-year's full funding building renewal requirements.

ADOA prioritizes and makes CIP recommendations in the following order: (1) fire and life safety; (2) mission-critical to existing programs and services; and (3) preservation of State assets.

With an accrual of over \$500,000,000 of deferred major maintenance requirements in the State's aging infrastructure, ADOA has recommended full funding of the FY 2018 building renewal formula and put forth the most critical capital recommendations. While recent years' increased appropriations and new funds source strategies are useful in resolving critical capital issues, the appropriations are still well below the need.

If you have questions or require further information, please contact Nola Barnes, Assistant Director, General Services Division, at (602) 542-1954 or [nola.barnes@azdoa.gov](mailto:nola.barnes@azdoa.gov).

Sincerely,

Craig C. Brown  
Director

ADOA Building System  
Capital Improvement Plan FY 2018  
October 14, 2016  
Page 2 of 2

Attachment

cc: Lorenzo Romero, Director, OSPB  
Chris Olvey, Senior Budget Analyst, OSPB  
Ryan Vergara, Budget Analyst, OSPB  
Richard Stavneak, Director, JLBC Staff  
Rebecca Perrera, Fiscal Analyst, JLBC Staff  
Kevin Donnellan, Deputy Director, ADOA  
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Nola Barnes, Assistant Director, ADOA  
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# ADOA Building System FY2018 Capital Improvement Plan

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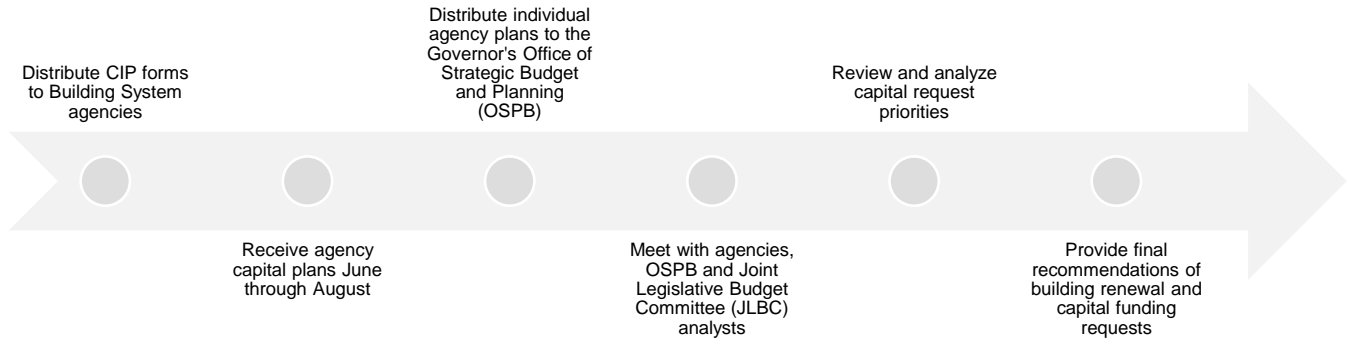
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## EXECUTIVE SUMMARY

The Arizona Department of Administration (ADOA) prepares the Building System Capital Improvement Plan (CIP) and identifies key recommendations for building renovations, replacement of core building components, and facilities construction. ADOA prioritizes capital requests in the following order: (1) fire and life safety; (2) mission-critical services; and (3) preservation of State assets. ADOA prepared the FY 2018 CIP as follows:



### **FY 2018 Building Renewal Formula Forecast**

The FY 2018 Building Renewal Formula forecast of \$63.4 million includes \$22 million for three State agencies with dedicated building renewal funds sources and \$41.4 million for 21 agencies without dedicated building renewal funds sources. Agencies with dedicated building renewal funds sources are the Arizona Department of Game and Fish, Arizona Lottery, and Arizona Department of Corrections.

### **FY 2018 Building Renewal Requests**

ADOA received building renewal requests for funding consideration from 18 State agencies, totaling \$318 million, including \$275 million of requests from the agencies with non-dedicated funds sources and \$43 million of requests from the three agencies with dedicated funds sources.

### **FY 2018 Building Renewal Recommendation**

ADOA recommends full funding of the FY 2018 Building Renewal Formula totaling \$63.4 million.

### **FY 2018 Capital Improvement Plan Capital Project Requests**

ADOA received capital project requests from 12 State agencies totaling \$459 million.

### **FY 2018 Capital Project Recommendations**

ADOA recommends new capital projects totaling \$121.4 million for the ADOA Building System. ADOA bases recommendations and priorities on issues of fire and life safety as well as the criticality and significance to the structural integrity of the Building System.

*Individual agency Building System CIPs, including requests for building renewal and new capital improvement projects are available by contacting ADOA, General Services Division, Planning and Construction Services at 602-542-4438*

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## ADOA BUILDING SYSTEM AND CAPITAL IMPROVEMENT PLAN

The Arizona Department of Administration (ADOA) Building System was established pursuant to A.R.S. § 41-793, concurrent with the Arizona Board of Regents (ABOR) Building System and the Arizona Department of Transportation (ADOT) Building System. The ADOA Building System is the largest of the three and includes buildings owned by 24 State agencies, boards, and commissions. Each Building System is responsible for submitting a Capital Improvement Plan (CIP) to the Governor no later than October 15 of each year. The CIP includes proposals for State spending on land acquisition, capital projects, energy systems, energy management systems, and building renewal.

### **New Capital Project and Building Renewal Funds Sources**

All agencies in the ADOA Building System are directed by A.R.S. § 41-793 to provide an annual agency CIP to ADOA regardless of an agency's appropriated or non-appropriated monies sources, including dedicated or non-dedicated capital and building renewal funds sources. ADOA does not usually make specific recommendations for capital or building renewal requests for the dedicated funds sources agencies the Arizona Department of Game and Fish and Arizona Lottery Commission. As a significant change, 2011 Session Law authorized a dedicated building renewal funds source The Department of Corrections Building Renewal Fund for the Arizona Department of Corrections. ADOA does make new capital recommendations for the Arizona Department of Corrections.

### **Building System Inventory**

As of October 15, 2016, the Building System has an inventory of 4,268 structures comprised of approximately 23.5 million Gross Square Feet (GSF) and an estimated replacement value of \$4.5 billion (*see Table 1: ADOA Building System Inventory – FY 2016*). ADOA revises its Building System Inventory each year to include structure acquisitions and deletions as reported by Building System agencies, escalations or de-escalations of structure replacement values, and two fiscal years of forecasted building renewal requirements. The inventory also provides Marshall & Swift Construction Class, Construction Year, fire suppression/sprinkler system status, Facility Occupancy Category, and other allied information.

ADOA inspects structures and reports their status to the Governor's Office and to the Legislature once every four fiscal years. ADOA General Services Division, Planning & Construction Services section reports on the condition, maintenance, and utilization of buildings inspected during the prior fiscal year on an approximate schedule of 50% of buildings within the first two years and 50% of buildings in the following two years of the four-year cycle pursuant to A.R.S. § 41-793. Subsequent to FY 2009 budget reductions, ADOA suspended its quadrennial inspections of the Building System. ADOA is incrementally carrying out its statutory obligation to inspect building system structures as staffing and new capital projects inspections permit.

Many of the Building System's structures and major building components have exceeded their useful lives or succumbed to the effects of deferred maintenance. There are widespread deficiencies in fire and life safety systems, roofs, HVAC, electrical, plumbing, control systems, parking lots, and interior finishes. A chronic lack of funding for basic routine and capital maintenance is the genesis of the poor condition of the Building System structures.

*Building inspection reports are available for review by contacting ADOA Planning & Construction Services at 602-542-4438.*



**Table 1–ADOA Building System Inventory**

*Fiscal Year Ending June 30, 2016*

Agency	№ of Structures	FY 2016 Replacement Value	Two-Year Forecast		Gross Square Feet
			FY 2018 Renewal Formula	FY 2019 Renewal Formula	
Administration, Arizona Department of	68	\$879,822,008	\$12,417,792	\$12,405,871	5,046,006
ADOA, Legislature	7	\$73,686,425	\$1,862,254	\$1,860,467	303,388
ADOA, Secretary of State	1	\$2,588,407	\$46,016	\$45,972	20,663
Agriculture, Arizona Department of	5	\$647,973	\$11,649	\$11,637	10,154
AHCCCS	3	\$32,341,653	\$515,806	\$515,311	164,080
Child Safety, Department of	1	\$6,837,771	\$178,765	\$178,594	41,913
Corrections, State Department of <sup>1/2</sup>	1,487	\$1,708,925,837	\$20,930,773	\$20,910,714	8,006,491
Deaf and the Blind, Arizona State Schools for the	50	\$109,056,042	\$1,598,048	\$1,596,514	512,299
Economic Security, Department of	130	\$125,829,067	\$2,801,051	\$2,798,362	740,353
Emergency and Military Affairs,	668	\$516,395,807	\$7,856,459	\$7,848,917	3,734,102
Environmental Quality,	7	\$4,432,083	\$94,472	\$94,381	19,614
Exposition & State Fair Board, Arizona	26	\$104,192,299	\$2,637,066	\$2,634,535	681,147
Forester, State	5	\$1,852,231	\$31,468	\$31,438	13,646
Game and Fish Department, Arizona <sup>1</sup>	465	\$81,322,749	\$929,338	\$928,446	803,312
Health Services, Department of	57	\$256,075,691	\$3,338,228	\$3,335,023	812,004
Historical Society, Arizona	23	\$49,609,542	\$1,009,405	\$1,008,436	208,572
Historical Society of Arizona, Prescott	21	\$12,021,425	\$249,341	\$249,101	54,683
Judiciary, Arizona Supreme Court	1	\$66,047,634	\$863,368	\$862,539	257,207
Juvenile Corrections, Department of	51	\$53,391,400	\$895,046	\$894,187	225,334
Lottery Commission, Arizona State <sup>1</sup>	2	\$8,061,497	\$122,240	\$122,122	47,600
Parks Board, Arizona State	746	\$117,170,685	\$1,902,413	\$1,900,598	661,852
Pioneers' Home, Arizona	10	\$13,019,883	\$319,024	\$318,717	66,140
Power Authority	3	\$8,022,254	\$50,670	\$50,621	12,324
Public Safety, Department of	391	\$130,129,821	\$2,009,109	\$2,007,180	645,516
Tourism, Office of	1	\$889,568	\$10,233	\$10,223	3,058
Veterans' Services, Department of	39	\$114,370,887	\$719,976	\$719,285	407,193
<b>Grand Total:</b>	<b>4,268</b>	<b>\$4,476,740,637</b>	<b>\$63,400,006</b>	<b>\$63,339,189</b>	<b>23,498,651</b>

<sup>1</sup> Dedicated funds source agency

<sup>2</sup> Effective FY 2012 Department of Corrections is a dedicated funds source agency for Building Renewal

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## BUILDING RENEWAL & CAPITAL OUTLAY STABILIZATION FUND

A.R.S. § 41-790 defines building renewal as “...major activities that involve the repair or reworking of a building and the supporting infrastructure that will result in maintaining a building’s expected useful life. Building renewal does not include new building additions, new infrastructure additions, landscaping and area beautification, routine preventative maintenance except as provided in section 41-793.01, subsection D, or demolition and removal of a building...” A.R.S. § 41-793.01(D) directs that ADOA may use up to 8% of the amount appropriated for routine preventative maintenance. Given the years of deferred major maintenance in the Building System, ADOA prioritizes building renewal projects over routine preventative maintenance issues, which are normally a routine operations function and expense.

### Building Renewal Formula

A.R.S. § 41-793 directs ADOA to: 1) determine the amount of appropriation required to fund building renewal on an annual basis according to a formula approved by the legislature and 2) allocate appropriated building renewal monies to agencies of the Building System.

The building renewal formula approved by the Legislature is the Sherman-Dergis Formula developed in 1981 at the University of Michigan. In simple terms, the Sherman-Dergis Formula estimates at a high level the funding requirements for major maintenance over time. The basic premises are:

The formula to determine the annual appropriation required for building renewal for each building is based on construction costs and calculated as follows: Two-Thirds Building Value (BV) multiplied by the Building Age (BA), then divided by the Life Expectancy of the structure (n) or otherwise expressed as

$$\frac{2}{3}(BV)BA$$

n

The formula reflects the current year building replacement value by updating the original construction cost, using a national building cost index. ADOA uses the Marshall & Swift Valuation Service’s building cost index to reflect its current year building replacement value.

The Age Factor = Building Age/Life Expectancy of the building (n). For example, the ADOA Life Expectancy is 50 years, therefore  $n=1,275$ , which is derived by progressively compounding by addition,  $1+2+3+4+5...49+50$ . Building renewal, on average, should cost no more than two-thirds of the cost of new construction, thus creating the building renewal constant multiplier of  $2/3$ .

The formula recognizes that building renewal should cost less than building replacement and that older buildings require more building renewal (capital funding) than newer buildings. In order to accomplish this, ADOA incorporates a building’s life expectancy of 50 years into its age factor. The annual formula does not consider accrued deferred maintenance.

### Building Renewal Funding and Deferred Maintenance

The Legislature fully funded the Building System's Building Renewal Formula in only two of the last 30 fiscal years (FY 1988 and 1999). Full funding of the Building Renewal Formula is a reference to the cumulative amount of annual appropriation required to sustain a given year’s *current* facilities conditions, assuming all prior annual major maintenance requirements are completed. The utility of the Building Renewal Formula is limited because chronic underfunding results in an annual accrual of its unfunded portion, which the following year’s formula does not consider.

The real significance of the Building System’s deferred maintenance is not its estimated value; it is its

As a result of nearly 30 years of funding shortfalls carried forward year after year, the Building System has amassed **\$532 million** (adjusted for inflation) of deferred capital maintenance.

*(See Table 2: ADOA Building System Building Renewal Allocation History & Deferred Maintenance Accrual – As of October 2016)*

potential liability. Major equipment breakdowns, system failures, physical plant shutdowns, building finishes and contents damage are increasingly more common. The difficulty in predicting and preventing

a major equipment or system failure in the ADOA Building System's aging facilities without proper funding is surpassed only by the difficulty in dealing with these occurrences both physically and financially once they have occurred. Failure to address these issues with appropriate funding creates scenarios for undesirable environmental exposures, causes losses of productivity and inventory, increases expenditures in labor and mobilization fees, and further broadens the spectrum of accountability.

Arizona is facing the inevitable long-term consequences of neglecting its facilities' major maintenance requirements. In June 2016, Abacus in conjunction with the Parsons Corporation, conducted a facility condition analysis of 3 million GSF of ADOA owned and/or managed buildings. This analysis indicated that over 1.5 million GSF (36%) of the structures it assessed were in "below average," "poor," or "replacement" condition.

ADOA's statutory role as the steward of the State's building assets is a nearly unattainable expectation with each passing year. ADOA is recommending full funding of the Building Renewal Formula for Fiscal Year 2018. ADOA recognizes there has been a trending increase in building renewal appropriations since 2011; however, the average percentage of the building renewal formula funded in the past ten fiscal years (non-dedicated fund source agencies) is 27.4%. While the increased appropriations and new funds source strategies are helpful in resolving critical capital maintenance issues, the appropriations are still well below the need. The postponed major maintenance requirements have created highly disproportionate and expensive utility, repair, maintenance, and replacement expenditures in deteriorating and poorly performing facilities. The prolonged accrual of neglected building renewal has resulted in comprehensive multi-year phased scopes-of-work that are too expensive to allocate from insufficient building renewal appropriations and too lengthy to complete in a two-year lapsing appropriations period. Increasingly, major maintenance projects ADOA might otherwise allocate from building renewal appropriations are appearing in the CIP as large individual capital outlay requests.

### Capital Outlay Stabilization Fund

Pursuant to A.R.S. § 41-791, ADOA manages or provides some type of operational support services to approximately 5.4 million GSF in the Capitol Mall, Phoenix Metro, Tucson, and Kingman areas, including office space, parking garages, mechanical structures, laboratories, and computer data centers. ADOA

depends on appropriations of Capital Outlay Stabilization Fund (COSF) monies to cover the operating costs of ADOA managed, State-owned buildings, including utilities, routine maintenance, grounds services, operating supplies, janitorial services, operations staff salaries, and building renewal.

A.R.S. § 41-792.01 establishes the COSF and allows ADOA to collect rents and tenant improvement charges from State agencies occupying State-owned space. The legislative budget process determines the COSF rent rate ADOA charges to State agencies. COSF monies are subject to appropriation and exempt from the provisions of A.R.S. § 35-190 relating to lapsing of appropriations. Aggressive competition for limited General Fund (GF) monies has led to shifting the burden of funding the operating costs of ADOA managed State-owned buildings *and* building renewal almost exclusively with COSF. Since FY 2000, COSF is the exclusive source of 63% of building renewal appropriations for non-dedicated fund source agencies.

#### COSF Dilemma

COSF is in a state of crisis generated by an array of problems, including:

- 1) ADOA collects COSF rent for only approximately 2.2 million square feet—far less square footage than COSF is supporting;
- 2) tenants in approximately 334,000 RSF directly benefit from COSF facilities operations services but are exempt from payment of COSF rents or even basic operating and maintenance costs;
- 3) 19 State agencies owning and operating structures separately from ADOA that benefit from COSF appropriations for building renewal and new capital yet do not contribute to COSF revenues;
- 4) the methodology to establish COSF rent rates does not reflect standard building management practices – it merely supports a cash flow requirement;
- 5) appropriations exclusively from COSF will not stave off the negative effects of deferred maintenance;
- 6) some building's lease-purchase debt service payments are appropriated from COSF even though the building is not a COSF contributor; and
- 7) COSF appropriations for building renewal are budgeted only after other expenditures are obligated, further promoting the vicious cycle

## Building Renewal & Capital Outlay Stabilization Fund

It is necessary to re-evaluate COSF appropriations, as the present approach does not support full-service operations and maintenance, fully fund a given fiscal year's Building System Building Renewal Formula, or address deferred maintenance and other unsupported appropriations.

### FY 2018 ADOA Building Renewal Recommendation

ADOA recommends full funding for the FY 2018 Building Renewal Formula, which is forecast to be \$63.4 million.

ADOA recognizes its recommendation will not fully achieve the goals of the Building Renewal Program nor abate increasing deterioration of the Building System's aging infrastructure due to the aforementioned \$532 million of deferred maintenance. ADOA will gradually rectify some of the detrimental consequences of deferred maintenance neglect through targeted infrastructure repairs and replacement and renovation projects with appropriations. An adverse policy decision further protracts Arizona's legacy of persistent infrastructure failures and costly crisis mode expenses and liabilities associated with a run-to-fail major maintenance program.

Chart 1-ADOA Building System Renewal Request Summary

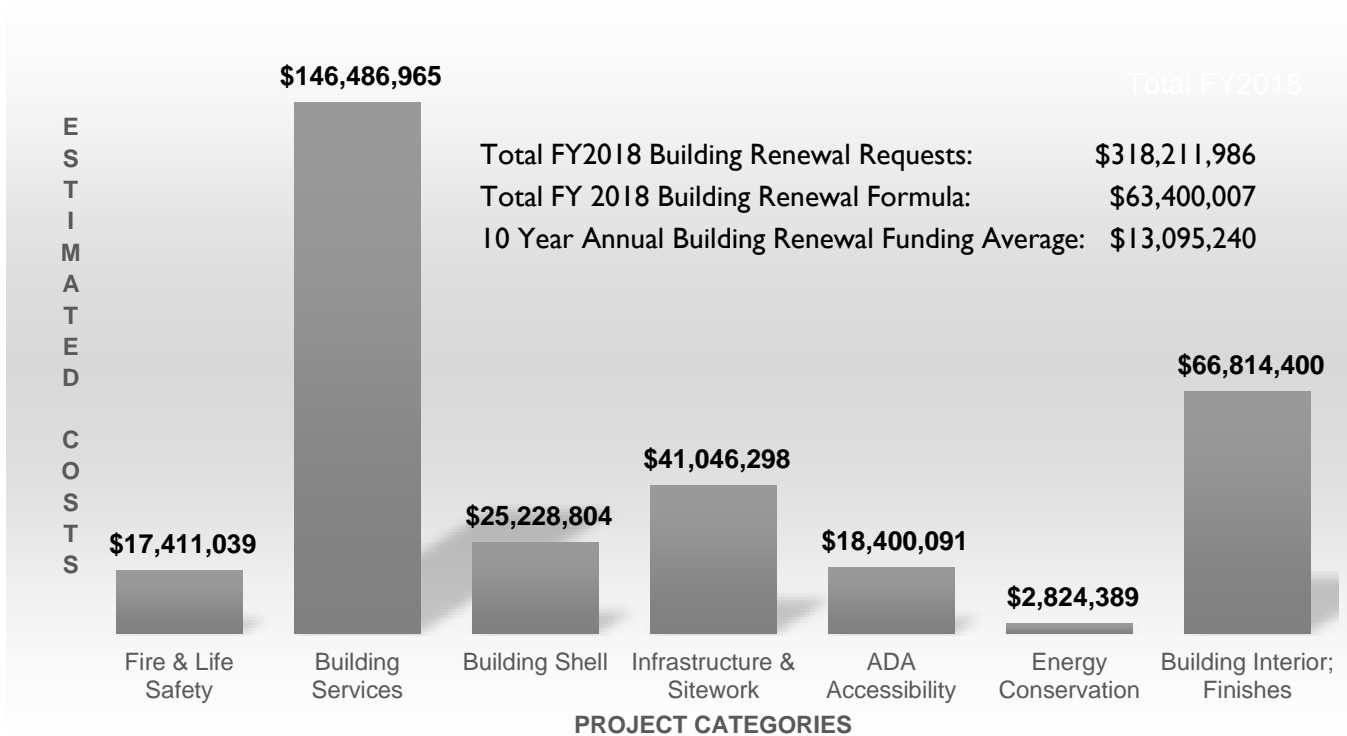


Table 2–Building Renewal Allocation History

(Excludes Dedicated Funds Source Agencies; Game & Fish and Lottery)

Fiscal Year	Building Renewal Formula	Appropriation	% of Formula Appropriated	Deferred Costs	Inflation Adjusted Deferred Costs
FY 1988	\$5,476,500	\$5,491,800	100.3%	-\$15,300	
FY 1989	\$6,119,300	\$3,002,000	49.1%	\$3,117,300	\$5,950,926
FY 1990	\$6,226,100	\$3,184,000	51.1%	\$3,042,100	\$5,711,543
FY 1991	\$6,238,263	\$459,100	7.4%	\$5,779,163	\$10,668,335
FY 1992	\$6,804,200	\$807,334	11.9%	\$5,996,866	\$11,058,221
FY 1993	\$8,273,745	\$2,194,500	26.5%	\$6,079,245	\$11,197,969
FY 1994	\$8,607,379	\$3,051,600	35.5%	\$5,555,779	\$9,972,623
FY 1995	\$8,675,374	\$5,372,458	61.9%	\$3,302,916	\$5,773,497
FY 1996	\$9,079,255	\$8,171,400	90.0%	\$907,855	\$1,524,742
FY 1997	\$9,857,406	\$4,911,300	49.8%	\$4,946,106	\$7,968,177
FY 1998	\$12,598,637	\$6,210,700	49.3%	\$6,387,937	\$10,067,389
FY 1999	\$13,707,938	\$13,628,000	99.4%	\$79,938	\$123,184
FY 2000	\$15,925,783	\$3,403,400	21.4%	\$12,522,383	\$17,756,739
FY 2001	\$17,209,530	\$3,682,900	21.4%	\$13,526,630	\$18,964,335
FY 2002	\$18,100,303	\$6,464,400	35.7%	\$11,635,903	\$15,883,008
FY 2003	\$18,175,137	\$3,068,300	16.9%	\$15,106,837	\$20,092,093
FY 2004	\$19,252,520	\$3,500,000	18.2%	\$15,752,520	\$20,084,463
FY 2005	\$19,852,990	\$3,500,000	17.6%	\$16,352,990	\$19,116,645
FY 2006	\$22,864,835	\$3,400,000	14.9%	\$19,464,835	\$21,878,475
FY 2007	\$25,391,389	\$7,249,200	28.5%	\$18,142,189	\$18,632,028
FY 2008	\$27,584,100	\$7,257,100	26.3%	\$20,327,000	\$20,306,673
FY 2009	\$31,042,588	\$899,300	2.9%	\$30,143,288	\$30,143,288
FY 2010	\$33,056,002	\$1,000,000	3.0%	\$32,056,002	\$32,056,002
FY 2011	\$36,763,663	\$5,000,000	13.6%	\$31,763,663	\$31,852,601
FY 2012 <sup>1</sup>	\$38,109,130	\$11,100,000	29.1%	\$27,009,130	\$27,846,413
FY 2013 <sup>1/2</sup>	\$41,020,965	\$13,303,100	32.4%	\$27,717,865	\$28,189,069
FY 2014 <sup>1</sup>	\$43,036,312	\$14,000,000	32.5%	\$29,036,312	\$30,110,656
FY 2015 <sup>1</sup>	\$53,665,760	\$26,464,300	49.3%	\$27,201,460	\$27,854,295
FY 2016 <sup>1</sup>	\$60,833,327	\$19,464,300	32.0%	\$41,369,027	\$41,824,086
FY 2017 <sup>1/3</sup>	\$61,843,644	\$32,464,300	52.5%	\$29,379,344	\$29,351,140
	<b>\$685,392,100</b>	<b>\$221,704,800</b>		<b>\$463,687,300</b>	<b>\$531,958,600</b>

<sup>1</sup> Includes a separate dedicated Building Renewal appropriation for the Department of Corrections as follows: (\$4.6 million in FY12 & FY13, \$5 million in FY14, \$8.4 million in FY 15, \$5.4 Million in FY 16, \$5.5 Million in FY 17)

<sup>2</sup> Excludes \$1.7 million allocated to Arizona Department of Health Services from building renewal appropriation for new capital.

<sup>3</sup> Excludes \$1.1 million allocated to the Department of Juvenile Corrections from the Criminal Justice Enhancement Fund.

Building Renewal & Capital Outlay Stabilization Fund

Table 3–Two-Year Building Renewal Formula Forecast

Agency	Two-Year Forecast	
	FY 2018 Renewal Formula	FY 2019 Renewal Formula
Game and Fish Department, Arizona <sup>1</sup>	\$ 929,338	\$ 928,446
Lottery Commission, Arizona State <sup>1</sup>	\$ 122,240	\$ 122,122
Corrections, State Department of <sup>2</sup>	\$ 20,930,773	\$ 20,910,714
<b>Sub-Total Dedicated Funds Source Agencies:</b>	<b>\$ 21,982,350</b>	<b>\$ 21,961,282</b>
Administration, Arizona Department of	\$ 12,417,792	\$ 12,405,871
ADOA, Legislature	\$ 1,862,254	\$ 1,860,467
ADOA, Secretary of State	\$ 46,016	\$ 45,972
Agriculture, Arizona Department of	\$ 11,649	\$ 11,637
AHCCCS	\$ 515,806	\$ 515,311
Child Safety, Department of	\$ 178,765	\$ 178,594
Deaf and the Blind, Arizona State Schools for the	\$ 1,598,048	\$ 1,596,514
Economic Security, Department of	\$ 2,801,051	\$ 2,798,362
Emergency and Military Affairs, Department of	\$ 7,856,459	\$ 7,848,917
Environmental Quality, Arizona Department of	\$ 94,472	\$ 94,381
Exposition & State Fair Board, Arizona	\$ 2,637,066	\$ 2,634,535
Forester, State	\$ 31,468	\$ 31,438
Health Services, Department of	\$ 3,338,228	\$ 3,335,023
Historical Society, Arizona	\$ 1,009,405	\$ 1,008,436
Historical Society of Arizona, Prescott	\$ 249,341	\$ 249,101
Judiciary, Arizona Supreme Court	\$ 863,368	\$ 862,539
Juvenile Corrections, Department of	\$ 895,046	\$ 894,187
Parks Board, Arizona State	\$ 1,902,413	\$ 1,900,598
Pioneers' Home, Arizona	\$ 319,024	\$ 318,717
Power Authority	\$ 50,670	\$ 50,621
Public Safety, Department of	\$ 2,009,109	\$ 2,007,180
Tourism, Office of	\$ 10,233	\$ 10,223
Veterans' Services, Department of	\$ 719,976	\$ 719,285
<b>Sub-Total Non-Dedicated Funds Source Agencies:</b>	<b>\$ 41,417,656</b>	<b>\$ 41,377,907</b>
<b>Grand Total:</b>	<b>\$ 63,400,007</b>	<b>\$ 63,339,189</b>

<sup>1</sup> Dedicated funds source agency

<sup>2</sup> Effective FY 2012 Department of Corrections is a dedicated funds source agency for Building Renewal

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## FY2018 CAPITAL PROJECT RECOMMENDATIONS

### **FIRE & LIFE SAFETY/INFRASTRUCTURE**

#### ARIZONA DEPARTMENT OF ADMINISTRATION

*Replace Obsolete and Unsupported Fire/Life Safety Systems; ADOA Building System*

**\$6.7 million**

Statewide, nine non-dedicated fund agencies have requested approximately \$17.4 million in fire and life safety systems upgrades through building renewal. This includes fire alarm systems that have exceeded their life expectancy, are functionally obsolete, and are in various stages of failure, if not already failed. When fire alarm systems are out of commission for extended repair times, ADOA or its tenant agencies must employ 24-hour fire watch personnel, usually on an overtime basis, to achieve fire and life safety standards. Working fire alarms are a basic and mandatory need in office buildings. Building condition assessments conducted in FY 2016 confirmed the necessity for comprehensive fire alarm system replacements to bring facilities into compliance with Federal, State, and Local fire and life safety regulations.

Without a large multi-year capital appropriation, ADOA has used limited building renewal funding to replace fire alarm systems in a phased approach throughout the State. This request is part of a multi-year allocation consisting of the planned design and construction of non-proprietary fire alarm and suppression systems at Statewide Agency facilities including the Department of Emergency and Military Affairs (DEMA), Prescott Historical Society, Juvenile Corrections, and the continued replacement of systems in ADOA owned and managed buildings. ADOA recommends specific priorities for fire alarm replacements; however, the order of priorities is subject to change given the propensity for unpredictable failures of deteriorating building fire alarm systems. Electronic based technology is in a constant state of advancement, which can render most electronic devices obsolete within a ten-year period or less. With a typical life expectancy of only 10-15 years for all fire alarm systems and a building system comprised of over 4,200 structures, there will only be a continued need for replacement of fire systems.

#### ARIZONA DEPARTMENT OF CORRECTIONS

*Replace Obsolete and Unsupported Fire Alarm Systems; ASPC Florence; Phase I*

**\$4.6 million**

Some of ADC's highest priorities for capital improvements include requests totaling over \$28.1 million to replace and/or repair fire alarm systems in ADC prison complexes throughout the State. Fire alarm systems in numerous prison complexes are inoperable, malfunctioning, unsupported, obsolete, and are not Class A fully addressable systems. When fire alarm systems are out of commission for extended times, ADC must employ 24-hour fire watch personnel, usually on an overtime basis, to achieve fire and life safety standards. Properly working fire alarms are a basic and mandatory requirement for occupied spaces, and particularly so in a confined and secure environment.

ADOA recommends a phased approach to comprehensive multi-complex life safety projects coupled with a funding commitment spanning several fiscal years. Phase I of a multi-year funding proposal includes fire alarm systems at the Douglas State Prison Complex and all units at the Eyman State Prison Complex. Existing systems throughout the Douglas State Prison Complex are obsolete, with approximately 85% in a non-operational condition. These units are currently conducting 24-hour fire watches. The fire alarm systems at the Eyman complex serve five individual units. Connectivity and operational problems have led to a non-operable system for all units. Phases II, III, and IV include, but are not limited to, prioritization of fire alarm systems at Florence, Lewis, Phoenix, Tucson, and other complexes. Replacement priorities and phasing would be subject to change upon further intensive evaluation of system components.

## FY2018 Capital Project Recommendations

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### ARIZONA DEPARTMENT OF CORRECTIONS

#### *Replace and Upgrade Cell Doors and Locks; Restore Appropriations - Phase II* **\$7.0 million**

The Legislature made appropriations for this multi-year capital project in FY 2006 (\$5.2 million) and FY 2007 (\$5.2 million) and ex-appropriated the monies in FY 2008 (\$2.0 million) and FY 2009 (\$3.2 million), reducing the total cumulative funding to \$5.2 million. ADOA completed a single \$4.9 million project at the ASPC Tucson Rincon Unit. The ex-appropriation of \$5.2 million resulted in ADOA cancelling a second project, the ASPC Florence SMU II Unit Security Upgrades, during the contract award phase. ADOA terminated another four projects in the design phase and compensated the architectural firm for its design work completed up to that date. Procurement code requires re-solicitation of project design as the costs to replace and upgrade cell doors and locks have escalated well beyond the original estimates for construction. Estimates for the scope of this funding issue are currently in the range of \$28.8 million. ADOA recommends several years of funding commitment to a phased construction approach for multi-complex lock and cell door projects. Replacement priorities are subject to change upon further intensive evaluation of existing system components.

### **BUILDING SERVICES**

#### ARIZONA DEPARTMENT OF ADMINISTRATION

#### *Central Plant HVAC Upgrades* **\$3.4 million**

The ADOA is requesting a \$3.4 million capital appropriation to complete the major upgrades of the central plants at both 1600 W. Monroe and 1616 W. Adams. A number chillers and cooling towers in the Capitol Mall are well over 20-years old, far surpassing their expected useful service lives. The oldest and most critical cooling towers are unique, as most are permanent concrete structures built as a part of mechanical buildings. Many of the failing chillers and cooling towers are original to building construction and no longer meet the cooling demands of the structures they support. Deteriorated HVAC systems are currently unpredictable and imminent failure conditions threaten mission critical functions. In Arizona's extreme environment a lack of cooling in facilities presents health and life safety concerns.

The ongoing central plant upgrades include the installation of stand-alone stainless steel cooling towers, replacement of water distribution systems, chillers, etc., and rental of portable cooling towers, hoses, pumps, and fueled generators to provide temporary cooling to buildings for the duration of construction. The most critical projects, in order of priority are:

#	Address	Project	Approx. Cost
1	1600 W. Monroe	Upgrade cooling towers, chillers, and pumps	\$2,500,000
2	1616 W. Adams	Replace cooling towers	\$900,000
<b>Grand Total:</b>			<b>\$3,400,000</b>

The ongoing replacement of aged and inefficient systems with new and more efficient systems has generated energy savings, is protecting assets, and providing a climate controlled environment for staff supporting mission critical functions.

In recent years, ADOA has attempted to fund individual central plant upgrades with limited Building Renewal funding. This piecemeal approach to replace obsolete and aging equipment will lead to continued HVAC failures and can take many years for completion. Complete HVAC system failures during the summer months will require ADOA to close affected buildings until it can procure temporary cooling towers/chillers and put them into service. Emergency based procurements increase expenses and out of service times. Costs of rental cooling towers and chillers are approximately \$40,000 each per month and can last for three months or more as equipment of this size and magnitude have long lead times.



## FY2018 Capital Project Recommendations

### ARIZONA DEPARTMENT OF ADMINISTRATION

#### *Air Handler Upgrades* **\$4.8 million**

The ADOA is requesting a \$4.8 million capital appropriation to fund major upgrades to the air handler units at the Capitol Mall complex. A number of the air handler units at the Capitol Mall complex are well over 20-years old, far surpassing their expected useful service life. Many of the failing air handler units are original to building construction and no longer meet the air handling demands of the structures they support. Deteriorated air handler units are currently unpredictable and imminent failure conditions threaten mission critical functions. In Arizona’s extreme environment, a lack of cooling in facilities presents health and life safety concerns.

The ADOA is currently completing a multiyear project to upgrade various central plants at the Capital Mall complex. An efficient and reliable HVAC system requires both the central plant and the corresponding air handler units to provide adequate cooling. The central plants supply tempered water to the air-handling units. These units then use the tempered water to circulate cool or warm air as necessary to the occupants of the buildings. The central plants and the air handler units require upgrading to adequately cool these facilities,.

ADOA proposes the installation of air handler units comprised of heat exchangers, blowers, filters, humidifiers, vibration isolators, sensors, switches, actuators and control systems as well as rental of portable air handler units during construction as necessary.

Sites, in order of priority, include:

#	Address	Approx. Cost
1	1300/1400 W. Washington	\$1,200,000
2	1616 W. Adams	\$1,100,000
3	1700 Executive Tower, W. Washington (2 AHU)	\$1,000,000
4	1700 W. Washington Senate/House	\$950,000
5	1200 W. Washington	\$550,000
<b>Grand Total:</b>		<b>\$4,800,000</b>

The ongoing replacement of aged and inefficient systems with new and more efficient systems will generate energy savings, protect assets, and provide a climate controlled environment for staff supporting mission critical functions.

In recent years, ADOA has attempted to fund individual air handler upgrades with limited Building Renewal funding. This piecemeal approach to replace obsolete and aging equipment has led to continued failures and can take up to many years for completion. Complete HVAC system failures during the summer months will require emergency-based procurements that increase expenses and out of service times.

### **BUILDING SHELL**

#### ARIZONA DEPARTMENT OF ADMINISTRATION

#### *Exterior Building Expansion Joint/Window Repairs* **\$1.5 million**

Years of exposure to extreme weather conditions prevalent in the desert, have led to the deterioration of exterior expansion joints and window seals on a number of buildings within the Capitol Mall. In some buildings, rainwater has frequently leaked through windows, causing damage to flooring and furniture. These deteriorating exterior joints can adversely affect building structural systems; lead to potential mold growth, and increase risk of damage to interior contents. Further, the costs of structural damage and mold abatement can often exceed the cost of replacing these systems. This request is to replace the exterior expansion joints and window seals for multiple State office buildings that continue to leak including, but not limited to the House and Senate at 1700 W. Washington, 1789 W. Jefferson, 1200, 1300, and 1400 W. Washington, and 1616, 1624, and 1688 W. Adams.

**ADDITIONS; RENOVATIONS; NEW CONSTRUCTION**

ARIZONA DEPARTMENT OF ADMINISTRATION

*New Building at 1275 W. Washington*

**\$51 million**

ADOA requests a capital appropriation of \$51,000,000 to fund the demolition of 1275 W. Washington and subsequent new construction of a 200,000SF facility and 180,000SF parking garage.

In FY 2016, ADOA procured the services of a consultant to perform Facility Condition Assessments (FCA) on all ADOA managed and or operated buildings in the Governmental Mall area and Tucson. The Facility Condition Index (FCI) is an industry-standard measurement of facility condition calculated as the ratio of the costs to correct a facility's deficiencies to the facility's Current Replacement Value. It ranges from 0% (new building) to 100% (building beyond Service Life). An FCI of 60% or higher is recommended for complete replacement. According to the results of the FCA, the 1275 W Washington Street facility has an FCI of 59.93%. Based on the results of the FCA alone, it is more fiscally prudent to replace the building rather than correct the severe deficiencies. In addition, the building configuration of approximately 100,000SF on two floors is inefficient and does not provide adequate secure onsite parking for visitors and employees.

The existing building at 1275 W. Washington will be vacant by the end of Fiscal Year 2017 as a result of the self-initiated relocation of the Office of the Attorney General (AG) to privately leased space. The AG initiated the relocation as a result of the poor condition of the building systems as well as the underperforming functionality of the building, as noted above.

ADOA proposes to demolish the facility and build a new 200,000SF office building and a 180,000SF parking garage. ADOA will backfill the newly constructed building with the Arizona Department of Corrections (ADC) and Board of Executive Clemency from 1601, 1645, and 1831 W. Jefferson in approximately FY 2020. A FY 2019 policy issue to address relocation costs will be required. This plan will require an analysis and commitment to fund the demolition of 1601 and 1645 West Jefferson in FY 2019 as well as the design fees for a new 300,000SF multi-service office building and parking structure on the existing site.

Up to 43% of the cost could be offset by relocating Corrections staff currently housed in private sector

leased space. By 2020, the cost of the lease will exceed \$750,000 per year. This would yield \$22 million of lease reversion savings over 25-years

*1400 W. Washington Office Renovations*

**\$10.1 million**

The Arizona Department of Administration (ADOA) requests a capital appropriation of \$10.1 million for a major building renovation and backfill of 1400 West Washington. The appropriation is anticipated to be offset approximately 100% by the disposition of a State building asset beginning FY 2019.

The proposed renovation of 1400 W. Washington will support a backfill plan to help keep the Capital Outlay Stabilization Fund (COSF) wholly funded at current levels. With each passing year, ADOA's statutory role as the steward of the State's building assets becomes an increasingly unattainable expectation. While recent increased appropriations and new funds source strategies are helpful in resolving critical capital maintenance issues, the appropriations are still well below the need. In 2016, ADOA procured an engineering firm to perform condition assessments of several buildings in the Capitol Mall. The analysis of the overall conditions of ADOA's Capitol Mall buildings indicate that even though the ADOA buildings are not as old as most of the buildings assessed by the engineering firm, the ADOA buildings are in worse overall condition because of the higher than normal percentage of deferred maintenance. Most, if not all, renewable building system components have exceeded their statistical life cycle after 20-30 years of service, in some cases by 15 years.

This proposal includes a tentative backfill of the renovated 1400 W. Washington facility and a proposal to sell the State-owned facility at 2910 N. 44th Street in Phoenix to offset costs and generate GF revenue. The underlying plan is to relocate the tenants currently located at 2910 N. 44th Street to a combination of privately leased space in a geographically appropriate area, underutilized existing space, and the newly renovated space at 1400 W. Washington in the Capitol Mall.

In the FY 2017 Capital Outlay Bill, ADOA received an appropriation of \$4.2 million out of COSF for the renovation of 1740 W. Adams. The renovation will be complete by May 1, 2017 and will be backfilled by tenants currently occupying 1400 W. Washington and private sector office space. 1400 W. Washington is expected to become wholly vacant by June 30, 2017 and available to start the proposed renovation project at the outset of FY 2018.

## FY2018 Capital Project Recommendations

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### DEPT. OF EMERGENCY AND MILITARY AFFAIRS

#### *Safford MILCON Readiness Center* **\$4.3 million**

The federal government has approved funding for 75% of the \$11 million construction cost for the Safford MILCON Readiness Center. A matching appropriation of \$2.8 million is required to fund the remaining 25% of construction costs. As this is a high priority project, there will be no further federal construction grants allocated to DEMA until this project has been appropriated the matching state funds. Furthermore, Federal Executive Order property is available for this project, providing the option to sell the current state owned site to offset costs to the GF. In addition to the 25% matching funds, the state will have to fund 100% of \$1.5 million for a 5-mile utility extension to bring services to the new site.

The current Safford Arizona Army National Guard (AZ ARNG) facility is more than 50 years old. Due to its age, it does not meet federal and state requirements for functionality or accessibility, nor does it meet current fire, electrical, mechanical or energy codes. The current 13,000 square foot facility is not large enough to provide the classroom, storage, kitchen, locker room, and office space required to meet current standards, nor does it meet the Anti-Terrorism Force Protection standoff distance. Furthermore, updated training technologies have placed additional emphasis and strain on outdated electrical systems and have increased the need for upgraded electrical and data infrastructure.

The building systems in the facility are far beyond their service life. The cost to replace the major systems such as the building foundation, air-conditioning, heating, plumbing, electrical, data, roofing, windows and doors, interior finishes, and parking are cost-prohibitive to continue to maintain and/or bring up to current standards. In addition, the lack of a modern Readiness Center directly jeopardizes the ability of the AZ ARNG to recruit and/or retain soldiers in the Safford/Thatcher area.

As proposed, the new Readiness Center would provide the AZ ARNG with a 31,000 square foot state-of-the-art, energy efficient facility that will be functional throughout the 21st Century. It will provide the soldiers who report there each month a state-of-the-art building with adequate space to conduct training and provide administrative, logistical and operational needs. It will be a modern mobilization platform in support of both the Guard's federal mission and their state mission such as flood and wildfire relief.

#### *Rittenhouse MILCON Readiness Center* **\$3.2 million**

The federal government has approved funding for 75% of the \$13.1 million construction costs for the Rittenhouse MILCON Readiness Center. A matching appropriation of \$3.2 million is required to fund the remaining 25% of construction costs. As this is a high priority project, there will be no further federal construction grants allocated to DEMA until this project has been appropriated the matching state funds.

The Rittenhouse Arizona Army National Guard (AZ ARNG) Readiness Center is housed in a substandard modular facility. It does not meet federal and state requirements for functionality or accessibility, nor does it meet current fire, electrical, mechanical or energy codes. The current modular facility is not large enough to provide the classroom, storage, kitchen, locker room, and office space required to meet current standards, nor does it meet the Anti-Terrorism Force Protection standoff distance. Furthermore, updated training technologies have placed additional emphasis and strain on outdated electrical systems and have increased the need for upgraded electrical and data infrastructure. In addition, the lack of a modern Readiness Center directly jeopardizes the ability of the AZ ARNG to recruit and/or retain soldiers.

The present facility's lack of adequate space and substandard condition impedes the AZ ARNR from complying with training and mobilization readiness standards as well as adversely affecting its readiness, recruiting, retention, and training objectives. The lack of proper facilities continues to negatively influence troop morale and readiness, as well as add to the present deficiency of the AZARNG.

This project will enhance readiness by supporting individual and collective training and greatly improving administrative, automation and communications, and logistical requirements for the ARNG. The readiness center will be a single gathering point for unit personnel and is a mobilization platform during Federal and State activation of this unit. This facility will serve as a headquarters for the MTOE organization and will provide support to the community. Functional areas include assembly space, classrooms, distributive learning centers, locker rooms, physical fitness area, kitchen, and weapons, protective mask and other storage, enclosed areas to support training with simulation, and operator-level maintenance on assigned equipment.

### ARIZONA STATE FORESTRY DIVISION

#### *Interagency Wildland Fire Dispatch Center* **\$4.7 million**

The Arizona State Forestry Division (ASFD) provides resources for the prevention and suppression of wildland fires on approximately 22 million acres of State Trust Land and private property located outside incorporated communities. The Deer Valley office, located off I-17 and Pinnacle Peak Road houses the ASFD Phoenix District Office as well as the Arizona Interagency Dispatch Center (AIDC), which dispatches for wild land fire for the northern two-thirds of the State (Yuma, La Paz, Yavapai, Northern Pinal, Mohave, Coconino, Apache, and Navajo Counties). Currently, the ASFD Phoenix District Office is operating out of a 24' x 60' modular building installed in 1997 at the Deer Valley location (the age of the modular building is unknown as it appears it was not installed new). The Phoenix District Office houses the Phoenix District Forester, Assistant Fire Manager, Globe Fire Crew Coordinator, Perryville Fire Crew Coordinator, Fuels Manager, Division Safety Officer, and other State fire staff. These positions support wild land fire suppression, all-risk activities (i.e. flooding), and wild land fire training outreach to fire departments in Maricopa, Yavapai, Yuma, La Paz, Gila and the northern half of Pinal Counties.

The current AIDC facility—a vital component of the state and national emergency response framework—does not meet national standards for reliability and survivability. The current building is not sufficient to support a major emergency operation. It was designed to serve a dual function as general office space for administrative personnel as well as statewide wildland interagency dispatch responsibilities. Although, it was originally constructed to standards for office use, the function of this facility has changed due to updated AIDC requirements. Now it is solely configured and utilized as a dispatch center. Not only are the electrical, mechanical, plumbing, and security systems well past their expected useful life, they were not designed to support the demands of 21<sup>st</sup> century communication and data infrastructure. The building does not provide a secure and efficient environment to house the critical communication and IT equipment necessary to reliably dispatch personnel in the face of threats to the public safety.

A properly designed and constructed center will provide the required security and redundancy lacking in the current facility. The proposed 4,500 square foot Interagency Dispatch Center will be designed and

constructed to nationally recognized standards for security and continuation of operations. It will provide safe and adequate space for emergency managers and dispatchers.

The new Interagency Dispatch Center will allow ASFD and Fire Management personnel to provide safe mobilization of aircraft, equipment and personnel. The critical improvements provided by the new AIDC will allow the effective and timely dispatch of emergency responders and will better provide for the security of responders and the safety of the public.

### DEPARTMENT OF PUBLIC SAFETY

#### *Tucson Complex; Phase II; New Regional Headquarters Building* **\$18.1 million**

In 2009, the DPS Southern Regional Crime Lab was constructed as Phase I of the Tucson Complex master plan. The second phase of the master plan is a new Tucson Headquarters building with space for administrative functions.

The existing Tucson Headquarters facility was originally designed as a warehouse and was subsequently repurposed for office and support functions. The building has multiple deficiencies in terms of infrastructure, code compliance and functionality. The building's mechanical and electrical systems were not designed to support the density of use inherent in a modern office environment. Due to being under-designed for the current use and age, the power supply in the facility is unreliable. Likewise, the air conditioning system had to be adapted for office occupancies and is comprised of multiple ageing individual units that are prone to failure and expensive to operate and maintain. Also, the building's space plan is constrained by the limitations of the building which results in an inefficient work environment, congested circulation and operational conflicts which waste time and resources. Furthermore, the building is not large enough to accommodate the myriad of enforcement, regulatory, operational and public service functions of the Department.

As determined by the master plan, there is adequate space on the existing property to construct a new two-story building of approximately 48,500 square feet. The new building would provide space and services for the Southern Arizona Highway Patrol command staff, the District 8 Patrol staff, Criminal Investigations, Training, holding cells, and the Tucson communications/dispatch center. It will provide a safer

## FY2018 Capital Project Recommendations

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and more efficient working environment for the occupants, improved service to the public and law enforcement community, reduce utility costs, growth flexibility, and improved security.

### *Statewide Office Modular and Remote Housing Replacement* **\$2 million**

To support Arizona's vast highway system (improving highway safety and providing emergency response), DPS Highway Patrol officers are stationed at reasonable travel intervals throughout the State. With great distances between Arizona's populations centers, remote housing compounds are necessary. The most cost effective solution at these remote locations is modular housing. This request is part of an ongoing plan to improve existing remote housing units in rural Arizona. Newer units are far more energy efficient and cost less to operate and maintain. Better living conditions offer more incentive for Highway Patrol officers and their families to relocate to rural areas of the State.

DPS has 60+ units across the State. With a useful life of 20-25 years, approximately three units require replacement each year. Due to budget limitations, numerous units far exceed their useful life, with some units exceeding 50 years old. Older units are poorly insulated, no longer code compliant, and have rapidly deteriorating building systems. The burden for continuous "Band-Aid" fixes to these units is not cost effective and immediate replacement is required. Below are the most critical remote housing locations:

- Dateland P-043 (1,344SF, 50+ years old)
- Gila Bend M-059 (1,080SF, 39+ years old)
- Wikieup T-223 (780SF, 42+ years old)
- Wikieup T-377 (1,344SF, 42+ years old)

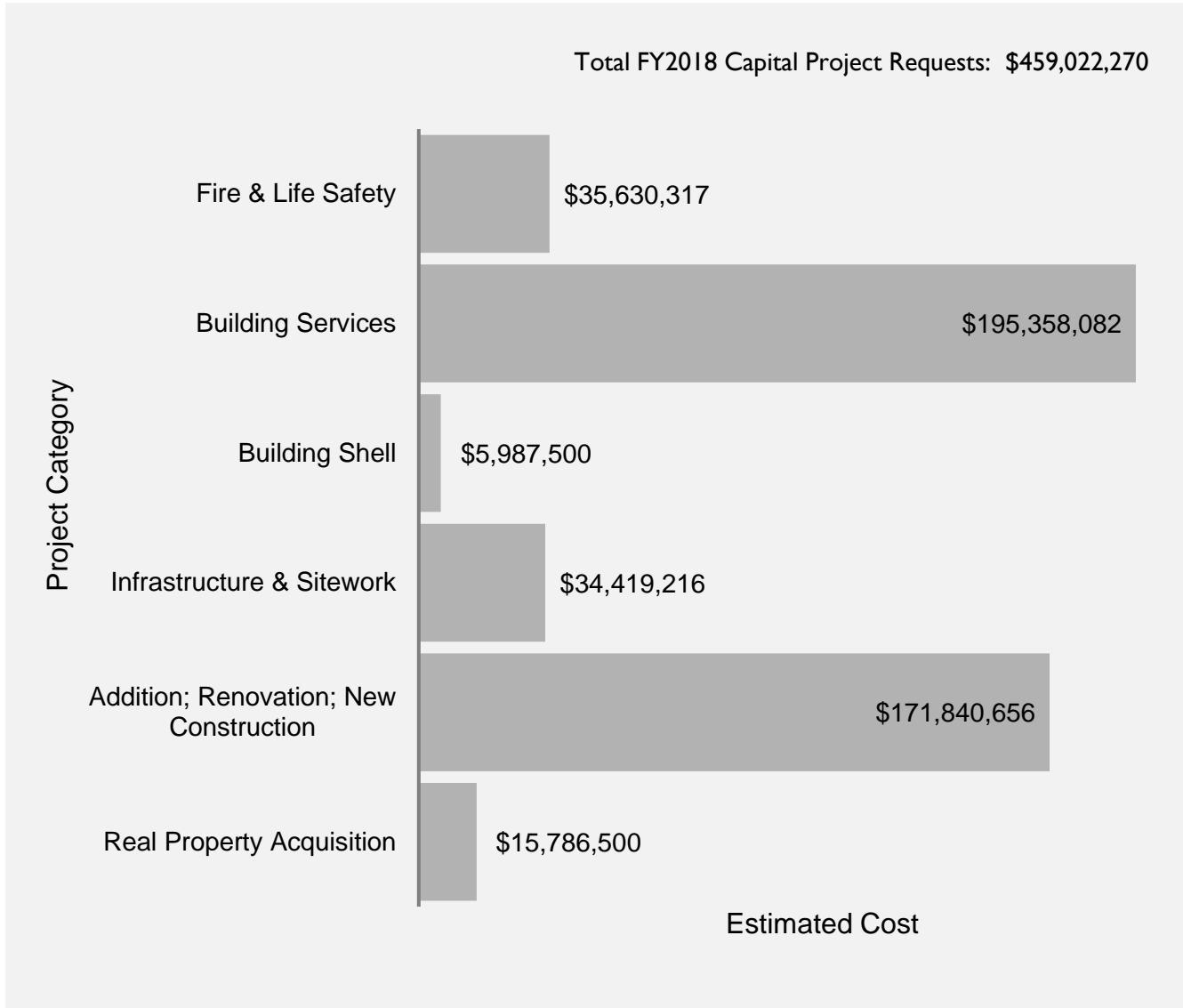
This is part of an ongoing plan to improve existing remote housing and provide additional housing units in rural Arizona. Newer units are far more energy efficient, costing less to operate and maintain. Better living conditions offer more incentive for Troopers and their families to relocate to rural areas of the State.

Similar to the remote housing needs, DPS requires office space throughout the state to satisfy operational needs. These units have also exceeded their useful life as the six units below are 34 plus years old and require complete replacement. Below are the most critical remote office locations:

- Payson (40 years old)
- Wikieup (40 years old)
- Buckeye (40 years old)
- Sanders (40 years old)
- Roosevelt (40 years old)
- Wickenburg (34+ years old)

Purchase and installation of new office units will provide adequate space for proper operation, improve efficiencies, address code compliance concerns and reduce energy consumption.

Chart 2–ADOA Building System Capital Request Summary



## A D O A   C A P I T A L   P R O J E C T   R E C O M M E N D A T I O N S

Agency	Location	Project Name	Project Category	Funds Source	FY 2018	FY 2019	FY 2020
Corrections	Multiple Facilities	Repair and Replace Fire Alarm Systems	Fire & Life Safety	General Fund	\$ 4,600,000	\$ 11,800,000	\$ 11,800,000
ADOA	Statewide	Replace ADOA Building System Obsolete and Unsupported Fire/Life Safety Systems	Fire & Life Safety	General Fund	\$ 6,700,000	\$ 5,000,000	\$ 5,700,000
Corrections	Multiple Facilities	Replace and Upgrade Locking and Door Control Systems	Fire & Life Safety	General Fund	\$ 7,000,000	\$ 10,900,000	\$ 10,900,000
ADOA	Capitol Mall	Replace Air Handler Units	Building Services	General Fund	\$ 4,800,000		
Public Safety	Multiple Facilities	Officer Remote Housing for Wikieup, Dateland, Gila Bend and Office Modular Units for Payson, Wikieup and Buckeye	New Construction	General Fund	\$ 2,000,000		
ADOA	Capitol Mall	New Building at 1275 W Washington	New Construction	General Fund	\$ 51,000,000		
ADOA	Capitol Mall	1400 W Washington Office Renovations	Interior Construction	General Fund	\$ 10,100,000		
Emergency & Military Affairs	Safford	MILCON Readiness Center and Utility Lines	New Construction	General Fund	\$ 4,300,000		
Emergency & Military Affairs	Rittenhouse	MILCON Readiness Center	New Construction	General Fund	\$ 3,200,000		
ADOA	Capitol Mall	Central Plant HVAC Upgrades	Building Services	General Fund	\$ 3,400,000		
ADOA	Capitol Mall	Exterior Expansion Joint/Window Repairs	Building Shell	General Fund	\$ 1,500,000		
Forestry Division	Deer Valley	Arizona Interagency Dispatch Center Building	New Construction	General Fund	\$ 4,700,000		
Public Safety	Tucson	Tucson Complex; Phase II; New Regional Headquarters Building	New Construction	General Fund	\$ 18,100,000		
<b>Grand Total Recommendations</b>					<b>\$121,400,000</b>	<b>\$27,700,000</b>	<b>\$28,400,000</b>