

**MINUTES OF THE JOINT MEETING
OF THE
ASSEMBLY COMMITTEE ON WAYS AND MEANS
SUBCOMMITTEE ON K-12/HIGHER EDUCATION/CIP
AND THE
SENATE COMMITTEE ON FINANCE
SUBCOMMITTEE ON K-12/HIGHER EDUCATION/CIP**

**Seventy-Seventh Session
May 22, 2013**

The joint meeting of the Assembly Committee on Ways and Means' Subcommittee on K-12/Higher Education/CIP and the Senate Committee on Finance's Subcommittee on K-12/Higher Education/CIP was called to order by Chair William C. Horne at 8:23 a.m. on Wednesday, May 22, 2013, in Room 3137 of the Legislative Building, 401 South Carson Street, Carson City, Nevada. The meeting was videoconferenced to Room 4401 of the Grant Sawyer State Office Building, 555 East Washington Avenue, Las Vegas, Nevada. Copies of the minutes, including the Agenda ([Exhibit A](#)), the Attendance Roster ([Exhibit B](#)), and other substantive exhibits, are available and on file in the Research Library of the Legislative Counsel Bureau and on the Nevada Legislature's website at nelis.leg.state.nv.us/77th2013. In addition, copies of the audio record may be purchased through the Legislative Counsel Bureau's Publications Office (email: publications@lcb.state.nv.us; telephone: 775-684-6835).

ASSEMBLY COMMITTEE MEMBERS PRESENT:

Assemblyman William C. Horne, Chair
Assemblyman Andy Eisen, Vice Chair
Assemblyman Paul Aizley
Assemblywoman Maggie Carlton
Assemblywoman Lucy Flores
Assemblyman Cresent Hardy
Assemblyman Pat Hickey
Assemblyman Randy Kirner

SENATE COMMITTEE MEMBERS PRESENT:

Senator Moises (Mo) Denis, Chair
Senator Debbie Smith
Senator Michael Roberson

Minutes ID: 1248



STAFF MEMBERS PRESENT:

Cindy Jones, Assembly Fiscal Analyst
Mark Krmpotic, Senate Fiscal Analyst
Brody Leiser, Program Analyst
Sherie Silva, Committee Secretary
Cynthia Wyett, Committee Assistant

Chair Horne welcomed members of the Subcommittees and announced that the purpose of the meeting was to close budgets; testimony would be limited to questions from members of the Subcommittees to the agencies concerning the budget closings.

Brody Leiser, Program Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, referred members of the Subcommittees to the closing document ([Exhibit C](#)) for the Office of the State Treasurer, Bond Interest and Redemption budget account (BA 1082), and the 2013-2015 Capital Improvement Program, and [Exhibit D](#), the "Recommended Capital Improvement Program for the 2013-15 Biennium" project spreadsheet. He would begin his presentation with the Bond Interest and Redemption account budget closing.

ELECTED OFFICIALS
OFFICE OF THE STATE TREASURER
BOND INTEREST & REDEMPTION (395-1082)
BUDGET PAGE ELECTED-185

Brody Leiser, Program Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, explained that there were two major closing issues in budget account (BA) 1082:

1. Funding Arbitrage Compliance Contract. Mr. Leiser said budget amendment A130021082, which was received by the Fiscal Analysis Division on April 8, 2013, included a request for \$92,400 in fiscal year (FY) 2014 and \$42,600 in FY 2015 to support contract arbitrage compliance services. The arbitrage contractor would provide the necessary calculations for all outstanding bonds issued by the state to ensure that the state was in compliance with federal arbitrage regulations for tax-exempt bonds.

Mr. Leiser noted that, at the request of the Budget Division and the Office of the State Treasurer, an adjustment had been made to the amendment to fund

the costs out of the Bond Interest and Redemption account reserve, and a technical adjustment was made to correct the expenditures to \$96,000 in fiscal year (FY) 2014 and \$46,200 in FY 2015.

Mr. Leiser recalled that in closing the Office of the State Treasurer's budget account (BA) 1080, the Senate Committee on Finance and the Assembly Committee on Ways and Means had approved an allocation of approximately \$10,000 over the biennium to support a portion of the cost of a management analyst 3 position to provide oversight for the arbitrage compliance contract efforts. Based on the prior actions of the money committees in closing BA 1080 and the functions for the contract, budget amendment A130021082 appeared to be reasonable to Fiscal Analysis Division staff.

Mr. Leiser asked whether the Subcommittees wished to accept budget amendment A130021082, including the requested technical adjustment to fund contract arbitrage compliance services of \$96,000 in FY 2014 and \$46,200 in FY 2015, with an equal reduction to the reserve in the Bond Interest and Redemption account.

Chair Horne asked for questions from the Subcommittees, and hearing none, he called for a motion.

ASSEMBLYMAN HARDY MOVED TO APPROVE BUDGET AMENDMENT A130021082, AND TO AUTHORIZE FISCAL ANALYSIS DIVISION STAFF TO MAKE TECHNICAL ADJUSTMENTS TO PROVIDE \$96,000 IN FY 2014 AND \$46,200 IN FY 2015 FROM THE BOND INTEREST AND REDEMPTION ACCOUNT RESERVE FOR ARBITRAGE COMPLIANCE CONTRACT SERVICES.

SENATOR DENIS SECONDED THE MOTION.

THE MOTION CARRIED. (Senator Roberson was not present for the vote.)

2. Centrally Assessed Property Tax Revenue. Mr. Leiser explained the second major closing issue was also in budget amendment A130011082, which was submitted to the Fiscal Analysis Division on April 3, 2013, and included a correction to the Consolidated Bond Interest and Redemption Fund to account for estimated net proceeds of minerals tax revenue in fiscal year (FY) 2015.

He said the amendment increased the centrally assessed property tax revenue in the account by \$6.9 million in FY 2015, with an equal amount being placed in reserve.

Mr. Leiser recalled that the amendment had been discussed during the Subcommittees' budget hearing for the Bond Interest and Redemption account. He noted that the Office of the State Treasurer had testified that the amount was omitted from The Executive Budget in error, but the projected revenue was considered in the analysis of the information reported in the Office of the State Treasurer's *General Obligation Debt Capacity and Affordability Report* for the 2013-2015 biennium. Mr. Leiser said the amendment appeared reasonable to Fiscal Analysis Division staff.

Mr. Leiser asked whether the Subcommittees wished to accept the portion of budget amendment A130011082 to include projected net proceeds of minerals tax revenue of \$6.9 million FY 2015, with an equal amount of funds being placed in reserve.

Chair Horne asked for questions from members of the Subcommittees, and hearing none, he called for a motion.

ASSEMBLYMAN EISEN MOVED TO ACCEPT THAT PORTION OF BUDGET AMENDMENT A130011082 WHICH INCLUDED PROJECTED NET PROCEEDS OF MINERALS TAX REVENUE OF \$6.9 MILLION IN FY 2015, WITH AN EQUAL AMOUNT OF FUNDS PLACED IN RESERVE.

SENATOR DENIS SECONDED THE MOTION.

THE MOTION CARRIED. (Senator Roberson was not present for the vote.)

Chair Horne asked Mr. Leiser to address the other closing items in the Bond Interest and Redemption budget account.

Brody Leiser, Program Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, explained there were six other closing items for which action was not necessary by the Subcommittees. He would briefly review them for the Subcommittees' information.

1. Recommended Property Tax Rate for Bonded Indebtedness. The Governor recommended maintaining the current property tax rate of \$0.17 per \$100 of assessed valuation through the 2013-2015 biennium. The rate was composed of \$0.1555 per \$100 of assessed valuation for general obligation debt and \$0.0145 per \$100 of assessed valuation for continued support of the Question 1 (Q1) [a 2002 ballot question approved by the voters] bond program.

Mr. Leiser noted that the projected revenues from the \$0.17 ad valorem tax had not been expected to be sufficient to cover the annual debt service requirements until approximately fiscal year (FY) 2019. The reserves maintained within the Consolidated Bond Interest and Redemption Fund would continue to be drawn down to pay the state's debt obligation through FY 2018 and into FY 2019.

Mr. Leiser added that the property tax rates would be codified in the Capital Improvement Program legislation, and the Subcommittees were not required to take action on the rates.

2. Recommended General Obligation Debt for the 2013-2015 Biennium. Mr. Leiser recalled that, initially, the state was not projecting any available bonding capacity based on the \$0.17 ad valorem tax revenue until approximately fiscal year (FY) 2019 for all capital projects supported by property taxes. However, in March 2013, the Office of the State Treasurer refunded and restructured approximately \$200 million of the state's existing general obligation debt. As a result, the Treasurer had freed up affordability, allowing for capacity to support approximately \$60 million of new general obligation debt in the current biennium, and an estimated capacity to issue \$100 million of new general obligation debt in the 2015-2017 biennium, supporting that debt with the traditional property tax revenue source.

3. Bond Issuances Recommended for Purposes Other than Funding the 2013-2015 CIP.

4. Question 1–Natural Resources Bonds.

Mr. Leiser explained that other closing items 3 and 4 reflected a recommendation to issue bonds for purposes other than funding the 2013-2015 Capital Improvement Program for the upcoming biennium, which included:

- \$1 million in general obligation bonds for cultural affairs projects.
- \$1.5 million in general obligation bonds for the Tahoe Environmental Improvement Program.
- \$2.5 million in Question 1 (Q1) [a 2002 ballot question approved by the voters] conservation and natural resources bonds.

Mr. Leiser noted there was approximately \$27 million in remaining Q1 bond authority. Senate Bill 489 extended the deadline for issuance of the remaining Q1 bond authority from June 30, 2014, to June 30, 2019. The bill had been passed out of the Assembly Committee on Ways and Means.

5. Request to Revise NRS 349.110. Mr. Leiser said the request to revise *Nevada Revised Statutes* (NRS) 349.110 was a companion request to budget amendment A130021082 to fund the arbitrage compliance contract. The Office of the State Treasurer had requested that language be included in the Capital Improvement Program (CIP) legislation to revise NRS 349.110 to specifically reflect payment for arbitrage compliance out of the Consolidated Bond Interest and Redemption Fund. He said Legislative Counsel had opined that the funding could be authorized without adding language to the CIP bill.

6. Reserve Funds to Support the 2013 CIP. Mr. Leiser recalled that the Governor recommended \$10.6 million from the reserve in the Bond Interest and Redemption account to support funding for the 2013-2015 Capital Improvement Program (CIP). He explained the funds were from previous bond issuances that had been reverted to the Bond Interest and Redemption account.

Mr. Leiser noted that the Office of the State Treasurer had earmarked the funds for transfer to the State Public Works Division, and therefore they were not reflected in the Treasurer's *General Obligation Debt Capacity and Affordability Report* for the 2013-2015 biennium or included in determining and analyzing the Treasurer's debt capacity and affordability.

Mr. Leiser said that Fiscal Analysis Division staff would recommend closing the remainder of budget account 1082 as recommended by the Governor and requested authority to make technical adjustments to the State Treasurer's cost allocation based on previous closing actions taken by the full money committees.

Chair Horne noted that none of the other closing items required action. He asked for questions from the members of the Subcommittees, and hearing none, he called for a motion.

ASSEMBLYWOMAN CARLTON MOVED TO CLOSE THE REMAINDER OF THE BOND INTEREST AND REDEMPTION BUDGET ACCOUNT 1082 AS RECOMMENDED BY THE GOVERNOR AND TO AUTHORIZE FISCAL ANALYSIS DIVISION STAFF TO MAKE NECESSARY TECHNICAL ADJUSTMENTS.

SENATOR DENIS SECONDED THE MOTION.

THE MOTION CARRIED. (Senator Roberson was not present for the vote.)

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**DEPARTMENT OF ADMINISTRATION
STATE PUBLIC WORKS DIVISION
CAPITAL IMPROVEMENT PROGRAM
BUDGET PAGES APPENDIX 4 TO 7**

Brody Leiser, Program Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, recalled that there were a number of requests throughout The Executive Budget hearing process to make changes to various projects in the 2013-2015 Capital Improvement Program (CIP). Mr. Leiser referred the Subcommittees to Exhibit C, the closing document for the Capital Improvement Program, which summarized the notable changes to the Governor's recommended 2013-2015 CIP.

Mr. Leiser noted that a brief description of each change and the dollar amount effect on each project were identified in the "Recommended Capital Improvement Program for the 2013-15 Biennium" project spreadsheet (Exhibit D). He reviewed the changes to the Governor's recommended CIP.

1. Project Cost Calculation Corrections. There were five projects included in the Governor's recommended 2013-2015 CIP in which specific costs had been identified. However, the costs were not included or were calculated incorrectly in the total project costs. Correcting the costs of the five projects added approximately \$610,000 to the total CIP dollar amount.

2. Reduced Allowance Costs. To account for the increase to the five projects discussed in item 1, the State Public Works Division proposed to reduce the allowance calculation on projects that had construction costs greater than \$1 million from the traditional 20 percent to 18.5 percent. Mr. Leiser explained the reduction involved the secure-facility and remote-site allowances and similar allowances throughout the CIP; the specific projects were listed on page 7 of the closing document ([Exhibit C](#)).

3. Project Consolidation. Mr. Leiser said that in response to the Subcommittees' request to consider consolidation of projects at a common location, the State Public Works Division had provided revised cost estimates for five pairings of projects. He noted that the projects and the net cost savings associated with the consolidations were identified in the CIP spreadsheet ([Exhibit D](#)).

Mr. Leiser recalled that calculation corrections had increased the overall CIP costs by approximately \$610,000. As a result of the proposed reductions to allowances for projects with construction costs greater than \$1 million and the recommended project consolidations, the \$610,000 increase was eliminated, and there was a net savings of \$72,000 to the overall CIP.

4. New Projects. Mr. Leiser noted that two projects had been added to the Governor's recommended 2013-2015 Capital Improvement Program:

- Project 13-C07, UNR [University of Nevada, Reno] Academic and Student Services Building, Getchell Library Demolition.
- Project 13-C08, Renovate First Floor of Building No. 3, Southern Nevada Adult Mental Health Services.

Mr. Leiser recalled that Project 13-C07 was heard by the Subcommittees at the hearing on April 16, 2013, and Project 13-C08 was added through a budget amendment received on May 14, 2013.

5. Project Authority Increase. Mr. Leiser said a budget amendment was received on May 14, 2013, requesting that authority for Project 13-S08, Statewide Energy Efficiency Program, be increased by \$1.19 million for the purpose of receiving rebate revenues. He noted that the updated costs were included on the CIP spreadsheet ([Exhibit D](#)).

6. CIP Funding Changes. Mr. Leiser referred the Subcommittees to the tables on page 9 of the closing document ([Exhibit C](#)), which reflected the timeline of the Governor's recommended state funding for the 2013-2015 CIP, the Governor's recommended amended state funding through May 14, 2013, and Fiscal Analysis Division staff's estimated funding needs based on the changes just reviewed.

Mr. Leiser noted that a budget amendment to the Governor's recommended CIP was received by the Fiscal Analysis Division on May 14, 2013, requesting that funding recommendations be adjusted for the following purposes:

- Reduce the Special Higher Education Capital Construction (SHECC) funding from \$8 million to \$5 million for the upcoming biennium, which would support a portion of the costs for the Nevada System of Higher Education (NSHE) deferred maintenance projects.
- Increase the General Fund one-shot appropriation from \$2 million to \$3.5 million to support project funding in the 2013-2015 CIP to account, in part, for the reduction in SHECC funding and the final Economic Forum revenue projections.
- Remove the General Fund one-shot appropriation of \$6.1 million to the Bond Interest and Redemption account to support general obligation bond debt service payments, because the Office of the State Treasurer had freed up capacity to issue debt with traditional property tax revenue.

Mr. Leiser recalled the original proposal in The Executive Budget was to support general obligation debt service payments with General Funds, and there was discussion about potentially pledging liquor tax revenues to support the general obligation debt. However, based on the actions of the Treasurer's Office, that recommendation was no longer applicable.

Referring to the tables on page 9 of [Exhibit C](#), Mr. Leiser noted that the information reflected the current status of the recommended state funding to support the 2013-2015 CIP. In addition, the tables at the bottom of each column reflected the \$5 million in bonds recommended for conservation and natural resources projects.

Mr. Leiser pointed out that the only significant differences between the Governor's original recommended CIP funding and the recommended funding

with amendments were the reductions in Highway Funds for the TAG [license plate] plant project and the planning project for the new Department of Motor Vehicles building at the Sahara complex.

Mr. Leiser referred to page 10 of the closing document ([Exhibit C](#)), which included a summary of Fiscal Analysis Division staff's estimated funding needs based on the notable changes to the 2013-2015 CIP. The table reflected both state and nonstate funding sources. He noted that tobacco settlement funds of \$1,035,399 were recommended to support a project at the Southern Nevada Adult Mental Health Services facility in Las Vegas that was requested through an amendment.

Mr. Leiser explained that The Executive Budget had provided a fund mapping to allocate the various state funding sources throughout the 2013-2015 Capital Improvement Program. The funding sources included:

- Reallocation of earlier CIPs
- Reallocation of General Fund—Project 05-C16
- Bond proceeds reverted to State Treasurer
- General Fund cash
- General obligation bonds

Mr. Leiser explained the funding sources for the 2013-2015 CIP were allocated based upon the following:

- Funds from reallocation of earlier CIPs and funds from the Bond Interest and Redemption account were applied to projects with a shorter lifespan to avoid financing a short-term project with debt that would take 20 years to pay off.
- Funds being reallocated from earlier CIPs were mapped for use for projects within the same agency. As an example, funds being reallocated from a 2009 Department of Corrections' (NDOC) project would be applied to a 2013 NDOC project in an effort to keep those funds within the same agency.
- The \$5 million in SHECC funds was specifically allocated to NSHE deferred maintenance projects.

- New general obligation debt would be allocated to projects with a longer lifespan.

Mr. Leiser pointed out that the 2013-2015 CIP spreadsheet ([Exhibit D](#)) identified the specific state-funding sources in the remarks section for the Subcommittees' reference.

Mr. Leiser said he would review the individual projects and applicable changes in the revised "Recommended Capital Improvement Program for the 2013-15 Biennium" ([Exhibit D](#)), and he requested that the Subcommittees approve or disapprove various projects at the end of his review.

- Project 13-C01: Replace Access Bridge—Caliente Youth Center. The remote-site allowance was reduced from 20 percent to 18.5 percent, for a project savings of \$30,120.
- Project 13-C02: Remodel Administration Building to Accommodate Execution Chamber—Ely State Prison. Assembly Bill 444 required that a legislative audit be conducted on the death penalty in the state, which would include a review of facilities to carry out a death sentence.
- Project 13-C03: New TAG [license plate] Plant—Stewart Conservation Camp, Northern Nevada Correctional Center.

Mr. Leiser explained that a revised cost-estimate sheet had been provided that removed \$324,755 for furniture, fixtures, and equipment (FF&E) costs from the project. However, additional adjustments would be required if the Subcommittees wished to approve the project. The Department of Motor Vehicles (DMV) operating budget accounts had closed in the full money committees, and \$222,969 was included in the license plate factory budget account for leasing and moving the license plate equipment. The total project cost from the Highway Fund would be \$3,824,612.

Mr. Leiser noted that based on the closing of the DMV budget accounts, the money committees had approved repayment to the Highway Fund for the project from a portion of the license plate fee that was approved by the committees. Highway Funds would be repaid within a five-year period from the license plate fee revenue.

Mr. Leiser reviewed the new construction (C) projects:

- Project 13-C04—Design and Construct a New Water Production Well at High Desert State Prison. Revised funding for the project was \$882,967; overall costs were increased to account for a calculation correction. A minor adjustment was also made for reduced bond sale costs.
- Project 13-C05—Design and Construct New Loading Dock and Replace a Freight Elevator at the Nevada State Museum. The consolidated project costs included approximately \$1,990,645 million in state funding. A savings of \$18,404 was realized by consolidating Projects 13-C05 and 13-M50.
- Project 13-C06—Compact Shelving for the State Records Center. The adjusted project cost was \$700,138.
- Project 13-C07—UNR Academic and Student Services Building, Getchell Library Demolition. This project was added by a budget amendment, which would reimburse the University of Nevada, Reno (UNR) for a portion of its costs (\$800,000) to demolish the Getchell Library.

Mr. Leiser noted that Senate Bill 185 increased UNR's bonding authority. When testifying on the bill, UNR provided a list of five projects that would use existing authority and create the need to increase UNR's bonding authority. He said funding for the new student achievement center and the Getchell Library demolition would be included in the existing bonding authority.

Assemblyman Eisen noted that S.B. 185 was passed by the Assembly the day before. The bill increased bonding authority and included Project 13-C07. He asked whether the \$800,000 was part of the calculation in S.B. 185.

Vic Redding, Vice Chancellor, Finance and Administration, Nevada System of Higher Education, replied the \$800,000 would be in addition to the increased bonding capacity.

- Project 13-C08—Renovate First Floor of Building No. 3, Southern Nevada Adult Mental Health Services (SNAMHS). The project would design and construct a 14,000-square-foot renovation to provide 15 rooms and up to 19 beds to increase psychiatric housing units.

Mr. Leiser explained the project was added through a budget amendment received on May 14, 2013. The funding was a 50/50 split of new general

obligation bonds of approximately \$1 million and the use of tobacco settlement funds for the other 50 percent or approximately \$1 million. He said the tobacco funds would be part of the one-time settlement that was received toward the end of calendar year 2012. Because the Subcommittees had not previously reviewed the project, Mr. Leiser would ask for a specific motion at the end of his presentation.

Assemblywoman Carlton affirmed that it was not typical to use tobacco settlement or other one-shot funding for these types of projects.

Mr. Leiser replied Assemblywoman Carlton was correct: tobacco funds had not previously been used for projects in the CIP.

Mr. Leiser moved to page 2 of [Exhibit D](#) to review the maintenance (M) projects:

- Project 13-M01: Life Safety Upgrades—Lake's Crossing. The revised funding for the project after the recalculation of construction costs resulted in a project total of \$1,240,555.
- Project 13-M02: Fire and Smoke Control System Upgrades—Sawyer Office Building. The revised funding for the project was \$958,178, the result of reducing the number of months of inflation to 12 and a minor adjustment for the bond sale costs.
- Project 13-M03: Radon Mitigation—Gallagher Fish Hatchery. The revised project cost was \$202,263 in state funds after a minor adjustment for reduced bond sale costs.
- Project 13-M04: Control Room Renovation—Lake's Crossing. The revised project cost of \$1,577,604 was a result of a proposal to reduce the secure and occupied facility allowances from 20 percent to 18.5 percent.
- Project 13-M05: Repair and Upgrade Door Control Panels—High Desert State Prison, Phase I. The revised project cost included \$2,095,912 in state funding. The revision was the result of reducing the secure and remote security allowances from 20 percent to 18.5 percent and a minor adjustment for reduced bond sale costs.

- Project 13-M06: Replace Door Control Panels—Lovelock Correctional Center, Phase I. The revised project cost of \$2,283,395 was the result of reducing the secure and remote facility allowances from 20 percent to 18.5 percent and a minor adjustment for reduced bond sale costs.
 - Project 13-M07: Replace High Mast Lighting, Main Electrical Loop, and Switchgear—Southern Desert Correctional Center. The project was a consolidation of Projects 13-M07 and 13-M14, resulting in a revised cost of the projects of \$3,777,158. In addition to the consolidation savings, the secure-facility and remote-site allowances were reduced from 20 percent to 18.5 percent and there was a minor adjustment for reduced bond sale costs, resulting in a total savings of \$168,413.
 - Project 13-M08: Mail Room HVAC [heating, ventilation, and air-conditioning] System Installation—Sawyer Office Building. The revised project cost of \$297,944 was a result of a minor reduction in bond sale costs.
- Project 13-M09: Boiler Plant Improvements—Lake's Crossing. The revised project cost of \$266,016 was a result of a minor reduction in bond sale costs.
- Project 13-M10: Replace Boiler Burners—Ely State Prison. The project cost was \$672,249 in state funds.
 - Project 13-M11: Replace Air Handling Units—Ely State Prison. The revised project cost of \$4,872,070 was the result of a reduction in the secure and remote facility allowances and a minor reduction in bond sale costs, for a savings of \$117,178.
 - Project 13-M12: Replace Air Handling Units—Lovelock Correctional Center. The revised cost estimate of \$3,830,166 included a reduction in the secure and remote facility allowances from 20 percent to 18.5 percent and a minor reduction in bond sale costs, for a savings of \$78,641.
 - Project 13-M13: Underground Piping Assessment—Lovelock Correctional Center. The revised cost estimate was \$262,259 in state funds.

- Project 13-M14: Replace Main Electrical Loop and Switchgear—Southern Desert Correctional Center. This project was consolidated with Project 13-M07.
- Project 13-M15: Boiler Replacement at Florence McClure Women's Correctional Center. Project cost was estimated at \$1,109,507 of state funds.
- Project 13-M16: Replace Rooftop HVAC Units—Florence McClure Women's Correctional Center, Phase I. Project costs were \$697,344 in state funds.
- Project 13-M17: HVAC System Renovation—Northern Nevada Correctional Center. Project costs were \$724,195 in state funds.
- Project 13-M18: Chiller and Boiler Replacement at Warm Springs Correctional Center, Housing Unit 2. The project cost was revised to \$651,779 because of recalculation of the secure-facility allowance and minor reductions in bond sale costs, which reduced the cost by \$29,596.
- Project 13-M19: HVAC Control System Upgrade—Desert Willow Treatment Center. Project costs were revised to \$385,259 in state funding because of a minor reduction in bond sale costs.
- Project 13-M20: Replace HVAC Systems—Caliente Youth Center Multi-Purpose Room. Project costs were revised to \$345,986 in state funding because of a minor reduction in bond sale costs.
- Project 13-M21: Server Room Air Conditioner Installation—Las Vegas Readiness Center. The revised project costs included \$140,061 in state funds and \$117,993 in federal funds.
- Project 13-M22: Boiler Plant Improvements—Washoe County Armory. The revised project costs included \$63,695 in state funding and \$129,537 in federal funds.
- Project 13-M23: Asbestos Abatement and Restoration—Henderson Armory. The revised project costs included \$195,921 in state funds and \$172,848 in federal funds.

- Project 13-M24: Install Air Conditioning—Henderson Armory. The revised project costs included \$707,326 in state funds and \$610,260 in federal funds.
- Project 13-M25: Electrical Power Upgrades—Henderson Armory. The revised project costs included \$387,144 in state funds and \$336,621 in federal funds.
- Project 13-M26: HVAC System Renovation—Stewart Building 107. This project was consolidated with Project 13-M29.
- Project 13-M27: Chilled and Hot Water Piping Replacement—Sawyer Office Building, Phase I. Project costs were reduced to \$594,688 in state funds because of a minor reduction in bond sale costs.
- Project 13-M28: Server Room Ventilation System Upgrades—Bryan Building. Revised costs were reduced to \$65,097 in state funding because of a minor reduction in bond sale costs.
- Project 13-M29: HVAC System Renovation—Stewart Buildings 6 and 107. This project was consolidated with Project 13-M26. The cost of Project 13-M26 had to be increased to account for equipment and related costs overlooked in the original recommendation. After accounting for the cost increase in Project 13-M26, the consolidation of the two projects resulted in a savings of \$16,644. The revised cost for Project 13-M29 was \$530,712.
- Project 13-M30: Replace HVAC Units—Lost City Museum. Project costs were revised to \$259,856 in state funds because of a minor reduction in bond sale costs.
- Project 13-M31: HVAC System Renovation—Northern Nevada Child and Adolescent Services, Administration Building. Project costs were revised to \$265,098 in state funds because of a minor reduction in bond sale costs.
- Project 13-M32: HVAC System Replacement—Desert Regional Center, Buildings 1307, 1308, 1309, and 1310. Project costs were revised

to \$277,946 in state funds because of a minor reduction in bond sale costs.

- Project 13-M33: Replace Emergency Generators—Desert Regional Center. Project costs were revised to \$1,279,429 in state funds because of a minor reduction in bond sale costs.
- Project 13-M34: Replace Rooftop HVAC Units—Southern Nevada Child and Adolescent Services Campus, Building 15. Project costs were revised to \$98,351 in state funds because of a minor reduction in bond sale costs.
- Project 13-M35: HVAC System Renovation—Northern Nevada Child and Adolescent Services, Residential Buildings. Project costs were revised to \$89,064 in state funds because of a minor reduction in bond sale costs.
- Project 13-M36: HVAC System Renovation—Sierra Regional Center, Building 603. Project costs were revised to \$48,969 in state funds because of a minor reduction in bond sale costs.
- Project 13-M37: Power Service Upgrade—Spring Valley State Park. Project costs were revised to \$1,595,321 in state funding and \$350,000 in existing Question 1 bond funds. The revision was the result of reducing the remote facility allowance from 20 percent to 18.5 percent and a minor reduction in bond sale costs, for a total savings of \$30,041.
- Project 13-M38: Boiler Plant Improvements—Blasdel Building. Project costs were revised to \$407,390 in state funds because of a minor reduction in bond sale costs.
- Project 13-M39: HVAC System Renovation—Reno Wildlife Headquarters. Project costs were revised to \$244,860 in state funds because of a minor reduction in bond sale costs.
- Project 13-M40: Replace Toilet and Urinal Flush Valves—Ely State Prison, Multiple Buildings. Project costs were revised to \$1,246,065 in state funds because of a minor reduction in bond sale costs.

- Project 13-M41: Shower and Bathroom Renovations, Sealing of Expansion Joints and Painting—Florence McClure Women’s Correctional Center. Project costs were revised to \$2,081,660 in state funds because of consolidation with Project 13-M47, a reduction in the secure-facility and phased-project site allowances from 20 percent to 18.5 percent, and a minor reduction in bond sale costs. These adjustments resulted in savings of \$34,237 compared to the corrected cost for Project 13-M41 that was understated in the Governor’s recommendation.
- Project 13-M42: Recondition Existing Water Tanks 2 and 4—High Desert State Prison. The project costs were reduced to \$382,391 in state funds because of a minor reduction in bond sale costs.
- Project 13-M43: Exterior Building Protection, Phase I—High Desert State Prison. The project costs were revised to \$2,306,182 in state funds because of a reduction in the secure-facility allowance from 20 percent to 18.5 percent, resulting in savings of \$29,343.
- Project 13-M44: Replace Culinary Flooring—Northern Nevada Correctional Center. The project cost was revised to \$478,574 in state funds because of a minor reduction in bond sale costs.
- Projects 13-M45 and 13-M46: Remove and Replace Infirmary Flooring and Remove and Replace Culinary Flooring—Ely State Prison. The two projects were consolidated, with a combined cost of \$821,674 and a savings from consolidation of \$11,549.
- Project 13-M47: Sealing of Exterior Expansion Joints and Painting—Florence McClure Women’s Correctional Center. This project was consolidated with Project 13-M41 previously discussed.
- Project 13-M49: Elevator Upgrade—Belrose Building. Estimated project cost was \$275,715 in state funds.
- Project 13-M50: Replace Freight Elevator—Nevada State Museum. This project was consolidated with Project 13-C05 previously discussed.
- Project 13-M51: Drainage System Improvements—Governor’s Mansion. Revised project costs of \$75,207 in state funds because of a minor reduction in bond sale costs.

- Project 13-M52: Exterior Finishes—Governor's Mansion Complex. Estimated costs were revised to \$609,480 in state funds because of a minor reduction in bond sale costs.
- Project 13-M53: Rehabilitate Fort Museum—Old Las Vegas Mormon Fort Park. Estimated costs were revised to \$159,543 in state funds because of a minor reduction in bond sale costs.
- Project 13-M54: Replace Man Doors—Stead Training Facility. Estimated cost of \$374,104 included funding of \$26,945 in state funds and \$347,159 in federal funds.
- Project 13-M55: Compact Shelving Upgrades—State Library and Archives. Project costs were revised to \$463,790 in state funds because of a minor reduction in bond sale costs.
- Project 13-M56: Roof Replacement—Nevada State Veterans' Home. Project costs were revised to \$1,788,730 because of a minor reduction in bond sale costs.
- Project 13-M57: Nevada System of Higher Education Deferred Maintenance Projects. The project included funding of \$10 million in state funds and \$5 million in Special Higher Education Capital Construction (SHECC) funds.

Mr. Leiser next reviewed the 2013-2015 Capital Improvement Program planning (P) projects.

- Project 13-P01: Design through Construction Documents—New DMV Office in Central Las Vegas. Revised funding of \$2,143,330 included \$1,875,414 in Highway Funds and \$267,916 in emissions fee revenues.

Mr. Leiser explained that the project included an emissions inspection station at the East Sahara DMV complex, and approximately 12 percent of the project costs could be paid with emissions fee revenue. The \$267,916 in fee revenue would result in an equal amount of savings to the Highway Fund.

Mr. Leiser recalled that during the presentation of the project, the Subcommittees requested that a revised cost-estimate sheet be provided to reflect what the cost would be if the project were limited to planning through schematic design. He said that the revised cost-estimate sheet that was provided indicated that the project cost would be reduced to \$729,124.

Mr. Leiser said he had conversations with the State Public Works Division concerning the effects of limiting the project to planning through schematic design. He noted there were a number of moving parts at the East Sahara parcel that included not only the planning for the new DMV office, but the project for the old Las Vegas Metro building included in Project 13-P02, which would ultimately result in relocation of Buildings and Grounds (B&G) staff to that building and allow for the demolition of the building B&G currently occupied.

Mr. Leiser said there would be two consequences if the Subcommittees were to limit Project 13-P01 to planning through schematic design:

- It would eliminate the State Public Works Division's ability to contract with a construction manager at risk (CMAR), and the maximum amount of construction costs would no longer be guaranteed for future construction of the project.
- The overall completion of construction at the facility would be delayed by approximately two years.

Mr. Leiser pointed out that while limiting the project to planning through schematic design would result in immediate Highway Fund savings, there would be a potential for costs to increase and ultimately require more Highway Funds in the future.

- Project 13-P02: Design through Construction Documents for Building Upgrades—Old Las Vegas Metro Building. Estimated project costs were \$319,207 in state funds.
- Project 13-P03: Design through Programming and Schematic Design—Structural Seismic Retrofit and Renovation of Carson City Armory Building. Estimated project costs were \$144,044 in state funds.

- Project 13-P04: Planning through Construction Documents—Facility Maintenance Shop at Washoe County Armory. Estimated project costs were \$1,044,069 in state funds.
- Project 13-P05: Planning through Construction Documents—UNLV [University of Nevada, Las Vegas] Hotel College Academic Building. The total estimated project costs of \$4,945,461 included state funds of \$3,220,000 and agency funds of \$1,725,461.
- Project 13-P06: Planning through Construction Documents for Sanitary Sewer Upgrades—Southern Nevada Child and Adolescent Services. Estimated project costs were \$240,215 in state funds.
- Project 13-P07: Advanced Planning through Bid Documents of a Northern Nevada State Veterans' Home. Estimated project costs were \$3,699,938 in state funds.

Continuing, Mr. Leiser reviewed the 2013-2015 Capital Improvement Program Statewide (S) projects.

- Project 13-S01: Statewide Roofing Program. The project included \$3,284,649 in state funds.
- Project 13-S01g: Roof Replacement—Nevada Army National Guard, Floyd Edsall Training Center. Total project costs of \$65,241 included \$36,654 in state funds and \$28,587 in federal funds.
- Project 13-S01h: Roof Replacement—DMV Flamingo Office and Inspection Station. Estimated project funds were revised to \$693,374 in Highway Funds; bond sale costs were removed because the project was funded with Highway Funds.
- Project 13-S02: Statewide ADA (Americans with Disabilities Act) Program. Revised funding totaled \$2,074,731 in state funds.
- Project 13-S02g: Sidewalk Replacement and Restroom Remodel—Plumb Lane Armory. Revised funding of \$170,669 included \$55,815 in state funds and \$114,854 in federal funds.

- Project 13-S03: Statewide Fire and Life Safety Program. Revised project costs after a minor adjustment for reduced bond sale costs were \$2,971,485 in state funds.
- Project 13-S03g: Fire Sprinkler Installation—Carson City Nevada National Guard Facility. Revised project costs after adjustment for reduced bond sale costs were \$196,190 in state funds.
- Project 13-S04: Statewide Advance Planning Program. Revised funding after adjustment for reduced bond sale costs was \$736,207 in state funds.
- Project 13-S05: Statewide Paving Program. Revised funding after adjustment for reduced bond sale costs was \$684,968 in state funds.
- Project 13-S05h: Parking Lot Expansion and Preventative Maintenance—DMV Flamingo Office. Revised project funding after adjustment for removal of bond sale costs was \$977,071 in Highway Funds.
- Project 13-S06: Statewide Indoor Air Quality Program. Revised project funding after adjustment for reduced bond sale costs included \$250,520 in state funds and \$100,000 in agency funds from the Division of Risk Management, Department of Administration.
- Project 13-S08: Statewide Energy Efficiency Program. Revised funding for the project included \$2,005,987 in state funds and \$1,185,000 in authority to receive rebate funds from NV Energy.

Mr. Leiser explained that Project 13-S08 was a new CIP statewide program. The \$1,185,000 was a request for authority to be able to receive rebate funds from NV Energy. Rebates for energy projects were issued via a lottery system; the State Public Works Division (SPWD) would identify projects and submit requests to the lottery system. If a rebate were awarded for the project, when the project went out to bid, a conditional payment to the successful contractor would include the rebate funds. The contractor would be required to complete the project based on the timeline and the project requirements set by NV Energy to qualify for the rebate. Once the project was completed, NV Energy would review the project for compliance with the requirements, and if approved, rebate funds would be issued from NV Energy to the State Public Works Division. In turn, the SPWD would remit the rebate funds to the contractor.

Mr. Leiser pointed out that the actual compensation for the contractor awarded the project would be contingent upon the contractor meeting all of the requirements and timelines for the rebate, and a portion of the contractor's payment would be rebate revenues.

Assemblyman Kirner asked where the rebate funds from NV Energy would come from.

Gus Nuñez, P.E., Administrator, State Public Works Division, Department of Administration, replied the rebate funds would come from the current ratepayers in the state and collected by NV Energy.

Mr. Leiser said that based on the request to increase the authority to receive rebate funds, Project 13-S08 would require action by the Subcommittees.

- Project 13-S09: Statewide Building Official Projects. The project included \$924,114 in various agency funds for plan review and inspection of building projects not managed by the State Public Works Division.

Brody Leiser, Program Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, stated that he had concluded his review of the 2013-2015 Capital Improvement Program as revised by the Fiscal Analysis Division staff and with changes from the State Public Works Division and the Budget Division. There were five projects that would need individual consideration by the Subcommittees, and members may have questions or requests on other projects. A motion to approve the revised CIP as a whole would also be required.

Mr. Leiser listed the projects that would require individual action by the Subcommittees:

- 13-C02: Execution Chamber at Ely State Prison
- 13-C03: TAG Plant at Stewart Conservation Camp
- 13-C08: Renovate First Floor of Building 3, SNAMHS
- 13-P01: Planning Project for DMV
- 13-S08: Statewide Energy Efficiency Program

Senator Denis asked whether Subcommittee members wished to consider any additional projects.

Assemblyman Aizley asked whether all maintenance requests had been included in the 2013-2015 CIP. Mr. Leiser replied that there were a number of maintenance and deferred maintenance decision units recommended throughout agency operating budgets. The Buildings and Grounds Section had funding in its operating account to address various deferred maintenance needs in state-owned buildings throughout the state during the 2013-2015 biennium.

In addition, Mr. Leiser explained, the State Public Works Division maintained an inventory of known deferred maintenance projects that would be needed over the next ten-year period. He said projects had been identified for funding in upcoming biennia.

Assemblyman Eisen asked for further consideration of Project 13-C07.

SENATOR SMITH MOVED TO APPROVE THE PROJECTS IN THE 2013-2015 CAPITAL IMPROVEMENT PROGRAM AS REVISED, WITH THE EXCEPTION OF PROJECTS 13-C02, 13-C03, 13-C07, 13-C08, 13-P01, AND 13-S08.

ASSEMBLYWOMAN CARLTON SECONDED THE MOTION.

THE MOTION CARRIED. (Senator Roberson and Assemblyman Horne were not present for the vote.)

Senator Denis asked members if they had questions or concerns regarding any of the six projects that required separate action by the Subcommittees. Hearing none, he called for a vote on the first item, Project 13-C02.

- Project 13-C02: Remodel Administration Building to Accommodate Execution Chamber—Ely State Prison. Assembly Bill 444 required that a legislative audit be conducted on the death penalty in the state, which would include a review of facilities to carry out a death sentence.

SENATOR SMITH MOVED TO NOT APPROVE CAPITAL IMPROVEMENT PROJECT 13-C02.

ASSEMBLYWOMAN CARLTON SECONDED THE MOTION.

THE MOTION CARRIED. (Senator Roberson was not present for the vote.)

- Project 13-C03: New TAG Plant—Stewart Conservation Camp, Northern Nevada Correctional Center.

Brody Leiser, Program Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, recalled that Project 13-C03 had been reduced by \$222,969 to eliminate moving costs. The total project cost from the Highway Fund would be \$3,824,612.

Mr. Leiser said the motion should include the intent to repay the Highway Fund for the project within a five-year period from a portion of the license plate fee revenue that had been approved by the full money committees in the operating budget for the license plate factory.

ASSEMBLYWOMAN CARLTON MOVED TO APPROVE CAPITAL IMPROVEMENT PROJECT 13-C03 IN THE REVISED AMOUNT OF \$3,824,612 AND DIRECT THAT REPAYMENT BE MADE TO THE HIGHWAY FUND FROM THE LICENSE PLATE FEE REVENUE WITHIN A FIVE-YEAR PERIOD.

SENATOR SMITH SECONDED THE MOTION.

THE MOTION CARRIED. (Senator Roberson was not present for the vote.)

- Project 13-C07—UNR Academic and Student Services Building, Getchell Library Demolition. This project was added by a budget amendment, which would reimburse the University of Nevada, Reno (UNR) for a portion of its costs (\$800,000) to demolish the Getchell Library.

Assemblyman Eisen said that he understood from earlier testimony that Senate Bill 185 provided increased bonding authority for the Board of Regents of the University of Nevada System that would include demolition funds for the Getchell Library. He did not understand why the \$800,000 would be a separate cost.

Vic Redding, Vice Chancellor, Finance and Administration, Nevada System of Higher Education, said the information he had from the University of Nevada, Reno, was that the total cost of the project was \$45 million, and S.B. 185 allocated \$43 million to the project. He would need to research the reason for the discrepancy.

Chair Horne suggested that Project 13-C07 be held for final action until the CIP was closed in the full money committees.

- Project 13-C08—Renovate First Floor of Building No. 3, Southern Nevada Adult Mental Health Services. The project would design and construct a 14,000-square-foot renovation to provide 15 rooms and up to 19 beds to increase psychiatric housing units.

Brody Leiser, Program Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, noted that Project 13-C08 was added to the CIP via a budget amendment. He explained that funding of the project included approximately \$1 million in tobacco settlement funds, and based on the Subcommittees' motion to not approve Project 13-C02, which was fully funded with state funds, the Subcommittees may wish to use the \$692,289 of state funds no longer needed in Project 13-C02 to offset a portion of the tobacco settlement funds in Project 13-C08.

Mr. Leiser said if the Subcommittees wished to consider the recommendation, the revised project costs for Project 13-C08 would include \$1,727,688 million in state funds, and tobacco settlement funds would be reduced from \$1,035,399 to \$343,110.

Chair Horne stated that the recommendation appeared reasonable to him, and Assemblywoman Carlton agreed.

ASSEMBLYWOMAN CARLTON MOVED TO REALLOCATE
\$692,289 IN STATE FUNDS FROM CIP PROJECT 13-C02
TO REPLACE \$692,289 IN TOBACCO FUNDS IN
CIP PROJECT 13-C08.

SENATOR DENIS SECONDED THE MOTION.

THE MOTION CARRIED. (Senator Roberson was not present for the vote.)

- Project 13-P01: Design through Construction Documents—New DMV Office in Central Las Vegas. Revised funding included \$1,875,414 in Highway Funds and \$267,916 in emissions fee revenues.

Brody Leiser, Program Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, explained that he had requested a specific motion on Project 13-P01 based on the change to recommended funding to include the emissions fee revenue of \$267,916. In addition, the Subcommittees had requested a revised cost estimate of the project through schematic design rather than construction documents.

Mr. Leiser said a motion would be required on whether the project should include the design through construction documents or to modify the scope to planning through schematic design.

Assemblywoman Carlton affirmed that the construction manager at risk would be part of the scope of design and construction documents, which would provide a total cost guarantee for the project, which would not be true if the scope were reduced to schematic design. Mr. Leiser said she was correct.

ASSEMBLYWOMAN CARLTON MOVED TO APPROVE
CIP PROJECT 13-P01 WITH THE SCOPE TO BE DESIGN THROUGH
CONSTRUCTION DOCUMENTS AND ADDITIONAL FUNDING FROM
EMISSIONS FEE REVENUES.

SENATOR SMITH SECONDED THE MOTION.

THE MOTION CARRIED. (Senator Roberson and Assemblymen
Aizley and Hickey were not present for the vote.)

- Project 13-S08: Statewide Energy Efficiency Program. Revised funding for the project included \$2,005,987 in state funds and \$1,185,000 in authority to receive rebate funds from NV Energy.

Brody Leiser, Program Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, explained Project 13-S08 had been revised to include authority to receive rebate funds from NV Energy as explained earlier. He said if the Subcommittees approved the project, they might wish to issue a letter of intent to the State Public Works Division requiring a report to the Interim Finance Committee on the status of projects in the Statewide Energy Efficiency Program.

Chair Horne asked Stacey Crowley from the Office of Energy whether reporting to the Interim Finance Committee on the Statewide Energy Efficiency Program would be a burden on the agency.

Stacey Crowley, Director, Office of Energy, Office of the Governor, replied the agency had been working closely with the State Public Works Division on the energy projects, and the Office would be willing to provide needed information.

Gus Nuñez, P.E., Administrator, State Public Works Division, Department of Administration, stated that the State Public Works Division would be glad to report to the Interim Finance Committee at whatever interval was directed.

Assemblywoman Carlton said this was the first time the state had done an energy efficiency program, and she noted that the rebates were paid for by all ratepayers in the state, including the state. She asked who would keep the renewable energy credits.

Ms. Crowley replied the renewable energy credits would stay with NV Energy to assist with compliance with its renewable portfolio standard. The funds paid by the ratepayers were predetermined through legislation.

SENATOR DENIS MOVED TO APPROVE CIP PROJECT 13-S08, INCLUDING AUTHORITY TO RECEIVE ENERGY REBATES FROM NV ENERGY, AND TO ISSUE A LETTER OF INTENT TO THE STATE PUBLIC WORKS DIVISION TO SUBMIT A SEMIANNUAL STATUS REPORT ON THE ENERGY EFFICIENCY PROGRAM TO THE INTERIM FINANCE COMMITTEE.

ASSEMBLYWOMAN CARLTON SECONDED THE MOTION.

THE MOTION CARRIED. (Senator Roberson and Assemblymen Aizley and Hickey were not present for the vote.)

Brody Leiser, Program Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, explained that when the final CIP legislation came forward, the members of the Subcommittees would notice in the back language that there would be extensions for a number of projects in prior CIPs. If projects were not completed or if it was anticipated that they would not be completed by the extension date, the Legislature had the authority to grant extensions.

Mr. Leiser said the majority of the project extensions were granted for a two-year period which, in part, eliminated the risk of having a project's expenditure authority expire during the interim because of unknown factors. Reasonable extension requests included delays in the project completion dependencies, an outside entity's time to complete a warranty period, or other unforeseen circumstances.

Mr. Leiser said the State Public Works Division had requested authority for extension of 14 projects beyond June 30, 2013. Fiscal staff had met with the State Public Works Division to discuss each of the projects, and it appeared that the requests were reasonable.

Mr. Leiser added that a number of the projects in the 2013-2015 Capital Improvement Program approved by the Subcommittees involved a mixture of state and federal funds to support project costs. In closing the 2011 CIP, a letter of intent was issued to the State Public Works Division to address concerns regarding expenditure of state funds in a federally funded CIP project before ensuring that all authorized federal receipts were received and available for expenditure.

Mr. Leiser recalled that the legislative Letter of Intent instructed the State Public Works Division to not execute a contract for construction of a project approved in the CIP that included federally authorized receipts until the Division had determined that the authorized federal funding was available for expenditure.

Mr. Leiser said there were a number of projects in the 2013-2015 Capital Improvement Program that involved state and federal funds, and he asked whether the Subcommittees would want to issue a similar letter of intent or have Fiscal staff include similar language in the CIP legislation. He added that the purpose was to ensure that for any project with federal funds approved that those funds or authority to receive those funds were secured prior to the expenditure of any state funds.

Chair Horne remarked that the recommendation sounded reasonable and prudent.

ASSEMBLYWOMAN CARLTON MOVED TO ISSUE A LETTER OF
INTENT TO THE STATE PUBLIC WORKS DIVISION DIRECTING
THAT STATE FUNDS FOR CIP PROJECTS THAT INCLUDED
FEDERAL FUNDS NOT BE EXPENDED UNTIL THE FEDERAL

FUNDS WERE RECEIVED OR OFFICIAL AUTHORIZATION TO
EXPEND THE FEDERAL FUNDS WAS SECURED.

SENATOR DENIS SECONDED THE MOTION.

THE MOTION CARRIED. (Senator Roberson and Assemblymen
Aizley and Hickey were not present for the vote.)

Brody Leiser, Program Analyst, Fiscal Analysis Division, Legislative Counsel
Bureau, said that with the exception of Project 13-C07, which had been
deferred for consideration by the full money committees, the Subcommittees
had taken all necessary action on the 2013-2015 Capital Improvement Program.

Chair Horne asked for public comment, and hearing none, he adjourned the
meeting at 10:14 a.m.

Sherie Silva
Committee Secretary

APPROVED BY:

Assemblyman William C. Horne, Chair

DATE: _____

Senator Moises (Mo) Denis, Chair

DATE: _____

EXHIBITS

Committee Name: Committee on Ways and Means

Date: May 22, 2013

Time of Meeting: 8:23 a.m.

Bill	Exhibit	Witness / Agency	Description
	A	*****	Agenda
	B	*****	Attendance Roster
	C	Brody Leiser, Program Analyst Fiscal Analysis Division Legislative Counsel Bureau	Closing Document – Bond Interest and Redemption Fund and 2013-2015 Capital Improvement Program
	D	Brody Leiser, Program Analyst Fiscal Analysis Division Legislative Counsel Bureau	2013-2015 Capital Improvement Program Project Spreadsheet