

**HB 5202 BUDGET REPORT and MEASURE SUMMARY**

**Joint Committee On Ways and Means**

**Prepared By:** Rhonda Nelson, Department of Administrative Services

**Reviewed By:** Walt Campbell, Legislative Fiscal Office

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**Oregon Youth Authority**

**2019-21**

**Various Agencies**

**2021-23**

**Various Agencies**

**2023-25**

PRELIMINARY

**Budget Summary**

	<b>2023-25 Legislatively Approved Budget</b>	<b>2024 Committee Recommendation</b>	<b>2024 Session Adjustments 2023-25</b>
General Fund Capital Construction	\$ -	\$ -	\$ -
Other Funds Capital Construction	\$ 1,424,373,532	\$ 1,439,673,532	\$ 15,300,000
Federal Funds Capital Construction	\$ 16,766,419	\$ 35,190,019	\$ 18,423,600
<b>Total</b>	<b>\$ 1,441,139,951</b>	<b>\$ 1,474,863,551</b>	<b>\$ 33,723,600</b>

	<b>2021-23 Legislatively Approved Budget</b>	<b>2024 Committee Recommendation</b>	<b>2024 Session Adjustments 2021-23</b>
General Fund Capital Construction	\$ 223,081,000	\$ 223,081,000	\$ -
Other Funds Capital Construction	\$ 1,614,476,708	\$ 1,623,826,708	\$ 9,350,000
Federal Funds Capital Construction	\$ 63,126,286	\$ 95,926,286	\$ 32,800,000
<b>Total</b>	<b>\$ 1,900,683,994</b>	<b>\$ 1,942,833,994</b>	<b>\$ 42,150,000</b>

	<b>2019-21 Legislatively Approved Budget</b>	<b>2024 Committee Recommendation</b>	<b>2024 Session Adjustments 2019-21</b>
General Fund Capital Construction	\$ -	\$ -	\$ -
Other Funds Capital Construction	\$ 803,533,837	\$ 804,333,837	\$ 800,000
Federal Funds Capital Construction	\$ 70,346,000	\$ 70,346,000	\$ -
<b>Total</b>	<b>\$ 873,879,837</b>	<b>\$ 874,679,837</b>	<b>\$ 800,000</b>

**Summary of Revenue Changes**

Other Fund revenues include proceeds from the issuance of general obligation bonds authorized under Article XI-Q of Oregon’s Constitution, the Oregon Military Department’s Capital Construction Cash Account, and state gasoline tax and driver and vehicle related fees. Federal Funds revenues are from the National Guard Bureau.

## **Summary of Capital Construction Subcommittee Action**

HB 5202 provides six-year expenditure limitation for capital construction projects. Projects in excess of \$1.0 million for the acquisition of land and the acquisition, planning, constructing, altering, repairing, furnishing, and equipping of building and facilities are categorized as capital construction projects.

### **Department of Administrative Services**

The Subcommittee approved the extension of the project expiration date and expenditure limitation to June 30, 2025 for the Portland State Office Building Renovation (Other Funds).

### **Oregon Military Department**

***Camp Umatilla Barracks Facilities:*** approved a \$29,500,000 Federal Funds (National Guard Bureau) increase for the design and construction of four new National Guard barrack facilities at the Rees Training Center (formerly known as Camp Umatilla) in Hermiston, Oregon, approved in the 2021 legislative session, and amended in the 2023 legislative session. The increase brings total Federal Funds capital construction expenditure limitation approved for the project to \$57,743,000.

***Washington County Readiness Center:*** approved a \$3,300,000 Federal Funds (National Guard Bureau) increase for the construction of a new National Guard Readiness Center in Washington County for the training, administrative and logistical needs of the Oregon Army National Guard as a replacement for the Hillsboro Armory, approved in the 2021 legislative session. The project includes construction as well as providing utility services, information systems, fire detection and alarm systems, hazardous materials abatement and disposal, roads, walks, curbs, gutters, storm drainage, parking areas, and site improvements. The increase brings total Federal Funds capital construction expenditure limitation approved for the project to \$26,000,000.

***Salem Owen Summers Building Seismic Strengthening and Life Safety Improvements:*** approved a \$1,210,000 Federal Funds (National Guard Bureau) increase for seismic and life safety improvements on the Owen Summers Building, approved in the 2023 legislative session. The improvements will address structural shortcomings by adding new shear walls and steel frames at strategic locations throughout the building. The non-structural life safety work will involve natural gas piping, boilers, fire sprinklers, partitions, light fixtures, cladding and glazing, masonry veneer ties, mechanical and electrical equipment as well as other miscellaneous items. The increase brings total Federal Funds capital construction expenditure limitation approved for the project to \$6,710,000.

***Ashland Armory Service Life Extension:*** approved a \$3,513,600 Federal Funds (National Guard Bureau) increase for the ongoing project for design and construction of additions and alterations to the Ashland Armory, including seismic upgrades. The project previously received \$5,373,235 in Other Funds limitation for Article XI-Q bonds authorized in the 2021 legislative session. The improvements will bring the facility

into conformance with current building code and will include replacing mechanical, electrical and plumbing systems as well as remodeling existing classrooms, administrative space, latrines, showers, equipment storage areas, kitchen, and assembly hall areas. In addition, the project will include emergency enhancements and replacement of failed paving areas and replacement of existing site lighting, landscaping and fencing.

**Jackson Armory Service Life Extension:** approved a \$4,000,000 Federal Funds (National Guard Bureau) increase for the ongoing project for design and construction of additions and alterations to the Jackson Armory in Portland to bring the building into conformance with current building code. The project previously received \$4,275,000 Other Funds limitation for Article XI-Q bonds authorized in the 2019 legislative session. The project consists of repairing failing building systems both within and outside of the primary facility including the roof, latrines, administrative space, storage, classroom space, HVAC, potable water, fire detection and suppression, seismic upgrades, electrical, mechanical, sewer, compound, storage water systems, back-up power generation, water, and fuel storage for resilience.

**Newport Armory Regional Emergency Enhancement:** \$1,300,000 Federal Funds (National Guard Bureau) is approved to extend the useful life of the building and undertake seismic upgrades. The project previously received a portion of Other Funds limitation for Article XI-Q bonds authorized in the 2017 legislative session for Readiness Center Regional Emergency Enhancement Projects. The project entails repairing failing building systems both within and outside of the facility, backup power from a diesel fuel generator with an automatic transfer switch, emergency potable water from maintained, tested, and certified wells, pumps, and/or storage tanks with automatic controls.

**Pendleton Army Aviation Support Facility Regional Emergency Enhancement:** \$2,500,000 Federal Funds (National Guard Bureau) is approved to improve operational readiness and bring the facility up to current building codes and higher resiliency standards. The project previously received a portion of Other Funds limitation for Article XI-Q bonds authorized in the 2019 legislative session for Army Aviation Support Facility (AASF) Regional Emergency Enhancement Projects (REEP). The project consists of seismic upgrades to the hangar to align with building code standards. A new roof canopy will be constructed over the fuel station, and a new backup generator to be programmed to replace the existing generator. Comprehensive design services will also be included.

**Salem Army Aviation Support Facility Regional Emergency Enhancement:** \$3,400,000 Federal Funds (National Guard Bureau) is approved to perform seismic upgrades to Hangars 1 and 2 to bring them into compliance with current building code standards. The project previously received a portion of Other Funds limitation for Article XI-Q bonds authorized in the 2019 legislative session for Army Aviation Support Facility (AASF) Regional Emergency Enhancement Projects (REEP). The project entails construction of a new roof canopy over the fuel station, and a new backup generator to be programmed to replace the existing generator. Energy upgrades are included on Hangar 1 encompassing partial insulated wall cladding, partial new window replacement, partial/remaining lighting replacement to LED, and new insulation over the lower roof. Other improvements include a partial roof replacement on Hangar 1 and wall finishes on both hangars.

**Medford Field Maintenance Shop:** \$5,300,000 Other Funds (Capital Construction Cash Account) and \$2,500,000 Federal Funds (National Guard Bureau) to purchase a building on approximately 8.5 acres in Talent, Oregon for a new Medford Field Maintenance Shop. Funding is anticipated to be available in the Department’s Capital Construction Cash Account from the sale of its Christmas Valley Property to the U.S. Air Force.

The Subcommittee approved the extension of the project expiration date and expenditure limitation to September 30, 2024 for the Regional Armory Emergency Enhancement (Other Funds).

The Subcommittee approved the extension of the project expiration date and expenditure limitation to December 31, 2024 for the Camp Umatilla Regional Training Institute Re-Set project (Federal Funds).

Oregon Youth Authority

**Camp Riverbend Dorm Renovation:** \$3,500,000 Other Funds (Article XI-Q Bonds) is approved for capital improvements to renovate and expand two living units and supporting spaces at the Camp Riverbend Youth Transitional Facility, including the Riverbend building and the Hilgard building. The project previously received \$6,867,101 in Other Funds limitation for Article XI-Q bonds authorized in the 2021 legislative session. The increase brings total Other Funds capital construction expenditure limitation approved for the project to \$10,367,101.

**Tillamook Dorm Renovation:** \$3,600,000 Other Funds (Article XI-Q Bonds) is approved for capital improvements to renovate and remodel two living units and supporting spaces at the Tillamook Youth Correctional Facility. The project previously received \$10,279,899 in Other Funds limitation for Article XI-Q bonds authorized in the 2021 legislative session. The increase brings total Other Funds capital construction expenditure limitation approved for the project to \$13,879,899.

**Tillamook Medical and Dental Renovations:** \$800,000 Other Funds (Article XI-Q Bonds) is approved for capital improvements to remodel and expand the medical and dental clinic at the Tillamook Youth Correctional Facility to meet operational needs. The project previously received \$1,521,875 in Other Funds limitation for Article XI-Q bonds authorized in the 2019 legislative session. The increase brings total Other Funds capital construction expenditure limitation approved for the project to \$2,321,875.

**Oak Creek Youth Correctional Facility:** \$4,000,000 Other Funds (Article XI-Q Bonds) is approved to construct a large, off-living unit school and vocational center for the female youth at the Oak Creek Youth Correctional Facility. The space will allow the opportunity for educational programming not currently available. The school will have several classrooms and a computer lab, adequate storage for classroom equipment and staff support areas. The vocational center will have a shop area for various professional trades careers, a barber/haircare training center, adequate tool and material storage areas and a technology lab. Additionally, the parking area will be expanded, perimeter fence extended, a courtyard will be added, and landscaping upgraded.

### Department of Fish and Wildlife

**Capital Improvement and Renewal:** approved modifying the scope of the Other Funds (Article XI-Q Bonds) Capital Improvement and Renewal projects authorized in the 2021 and 2023 legislative sessions. Capital construction expenditure limitation of \$5,000,000 and \$2,500,000 was originally approved for capital improvements to replace buildings and address deferred maintenance at various facilities. The project scope is now expanded to allow the agency to purchase land to construct new district offices if this is deemed a better solution than renovating existing buildings or rebuilding offices on the same sites.

### Department of Transportation

**Region 3-5 Headquarters HVAC Upgrades:** approved a \$2,250,000 Other Funds (fee revenue) increase to replace the HVAC systems and make other energy efficiency improvements in region 3, region 4 and region 5 headquarters buildings and the region 4 Department of Motor Vehicles building. The project was approved for \$3,800,000 Other Funds limitation in the 2021 legislative session, so this addition increases the total limitation to \$6,050,000.

### Oregon Liquor and Cannabis Commission

**Liquor Warehouse Conveyor System:** approved a \$9,000,000 Other Funds (Article XI-Q Bonds) increase for the Liquor Warehouse Conveyor System approved in the 2021 legislative session and amended in the 2022 legislative session to acquire and install a new conveyor system for use in the agency's new warehouse. The increase brings total Other Funds capital construction expenditure limitation approved for the project to \$24,000,000.

**Liquor Warehouse Land and Building:** approved a \$9,000,000 Other Funds (Article XI-Q Bonds) decrease for the Liquor Warehouse Land and Building project approved in the 2021 legislative session and amended in the 2022 legislative session for the purchase of land and the design and construction of a new warehouse and headquarters for agency operations. The decrease brings total Other Funds capital construction expenditure limitation approved for the project to \$121,455,048. In addition to the limitation adjustment, there is a scope change for this project. The headquarters will no longer be constructed at the site of the new warehouse. The agency conducted a space analysis that showed it would be more cost effective to lease from existing office space than build a new headquarters.

### Higher Education Coordinating Commission (HECC)

#### **HECC - Public Universities**

The Subcommittee approved an increase of \$6,000,000 in Other Funds capital construction six-year expenditure limitation for the distribution of general obligation bond proceeds to Public Universities. This amount corresponds to the total project amounts for one project authorized in HB 5201. The project is funded with proceeds from the issuance of Article XI-Q bonds and will be disbursed as a grant, pursuant to grant agreement between HECC and the University. A project description is included in HB 5201. The expenditure limitation expires June 30, 2029.

**DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION**

**HB 5202-A**

Various Agencies  
Rhonda Nelson 971-719-1998

DESCRIPTION	OTHER FUNDS	FEDERAL FUNDS	TOTAL FUNDS	POS	FTE
<u>COMMITTEE AUTHORIZATIONS</u>					
<u>EDUCATION PROGRAM AREA</u>					
<u>Higher Education Coordinating Commission</u>					
SOU - Central Hall Capital Improvements (Phase II)	\$ 6,000,000	\$ -	\$ 6,000,000	0	0.00
<u>PUBLIC SAFETY PROGRAM AREA</u>					
<u>Oregon Military Department</u>					
Salem Owen Summers Building Seismic Strengthening and Life Safety Improvements	\$ -	\$ 1,210,000	\$ 1,210,000	0	0.00
Ashland Armory Service Life Extension	\$ -	\$ 3,513,600	\$ 3,513,600	0	0.00
Jackson Armory Service Life Extension	\$ -	\$ 4,000,000	\$ 4,000,000	0	0.00
Newport Armory Regional Emergency Enhancement	\$ -	\$ 1,300,000	\$ 1,300,000	0	0.00
Pendleton Army Aviation Support Facility Regional Emergency Enhancement	\$ -	\$ 2,500,000	\$ 2,500,000	0	0.00
Salem Army Aviation Support Facility Regional Emergency Enhancement	\$ -	\$ 3,400,000	\$ 3,400,000	0	0.00
Medford Field Maintenance Shop	\$ 5,300,000	\$ 2,500,000	\$ 7,800,000	0	0.00
<u>Oregon Youth Authority</u>					
Oak Creek Youth Correctional Facility	\$ 4,000,000	\$ -	\$ 4,000,000	0	0.00
<b>TOTAL</b>	<b>\$ 15,300,000</b>	<b>\$ 18,423,600</b>	<b>\$ 33,723,600</b>	<b>0</b>	<b>0.00</b>
<u>2021-23 Supplemental Expenditure Limitation Adjustments</u>					
<u>Oregon Youth Authority</u>					
Camp Riverbend Dorm Renovation	\$ 3,500,000	\$ -	\$ 3,500,000	0	0.00
Tillamook Dorm Renovation	\$ 3,600,000	\$ -	\$ 3,600,000	0	0.00

**Department of Transportation**

Region 3-5 Headquarters HVAC Upgrades \$ 2,250,000 \$ - \$ 2,250,000 0 0.00

**Oregon Liquor Control Commission**

Liquor Warehouse Conveyor System \$ 9,000,000 \$ - \$ 9,000,000 0 0.00

Liquor Warehouse Land and Building \$ (9,000,000) \$ - \$ (9,000,000) 0 0.00

**Oregon Military Department**

Camp Umatilla Barracks Facilities \$ - \$ 29,500,000 \$ 29,500,000 0 0.00

Washington County Readiness Center \$ - \$ 3,300,000 \$ 3,300,000 0 0.00

**2019-21 Supplemental Expenditure Limitation Adjustments**

**Oregon Youth Authority**

Tillamook Medical and Dental Renovations \$ 800,000 \$ - \$ 800,000 0 0.00

PRELIMINARY