

OREGON MILITARY DEPARTMENT

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May 1, 2025

The Honorable Senator Fred Girod, Co-Chair The Honorable Representative Rob Nosse, Co-Chair Joint Committee on Ways and Means, Subcommittee on Capital Construction 900 Court Street NE H-178 State Capitol Salem, OR 97301-4048

Dear Co-Chairpersons:

The Oregon Military Department (OMD) respectfully submits the following written testimony in relation to Senate Bill 5506.

Senate Bill 5506, as introduced, contains Other Funds Capital Construction limitation of \$35,847,680 and Federal Funds Capital Construction limitation of \$44,750,000 for OMD. We respectfully request to reduce both limitation amounts to \$28,797,680 Other Funds and \$20,250,000 Federal Funds, as further explained below in the section titled "Changes requested by OMD."

The following provides a high-level synopsis of OMD's goals and objectives for these projects:

<u>Armory Service Life Extension Projects and Regional Emergency Enhancements -</u> <u>\$12,400,000 Other Funds Capital Construction limitation</u>

The **Armory Service Life Extension Projects (ASLEPs)** are for two facilities in which we seek to extend the useful life due to the value each facility provides to the communities they serve and the National Guard missions. The goal of these ASLEPs is to perform infrastructure improvements to extend the useful life of existing facilities due to the complexities and long-term planning and programing requirements associated with constructing new facilities. A review of the long-range federal funding forecast indicates that no federal funds will be available to replace these facilities in the foreseeable future, which requires OMD to extend the useful life of current facilities through other means (such as bonds).

The facilities and requested project limitations are as follows:

- Salem Armory \$6,300,000 Other Funds: ASLEP
- Woodburn Armory \$6,100,000 Other Funds: ASLEP

Each of these projects will result in significant improvements to the operational effectiveness and overall longevity of each facility. The goals for the Service Life Extension projects at these two facilities include:

- 1. Bring the facilities into conformance with current building code requirements.
- 2. Improve operational efficiencies.
- 3. Upgrade mechanical, electrical and lighting systems.
- 4. Upgrade building "envelopes."
- 5. Upgrade facility grounds.

Besides bringing the facilities into conformance with current building codes, the projects will replace outdated, inefficient, and defective building systems (including mechanical, electrical and plumbing), remodel existing classrooms, administrative space, latrines and showers, equipment storage areas, kitchens, as well as assembly hall areas. The projects will repair or replace failed paving areas, existing site lighting, landscaping and fencing. OMD anticipates future increases in rental activities as a resulting benefit of these projects. Funds from rental activities are currently used to partially offset facility operations and maintenance costs; future funds resulting from an increase in rental activities will continue to be used in the same manner.

While we previously requested separate bonding and limitations to conduct Regional Emergency Enhancement Projects (REEPs), we now include emergency enhancements with all ASLEPs. The REEP program ensures that essential and critical facilities have the capability to serve as staging areas through: seismic retrofits, emergency power, water, fuel and storage of supplies necessary for disaster response. The agency's REEP program includes a review of disaster response plans, such as the Cascadia Subduction Zone Catastrophic Disaster Response Plan as well as identifying critical facilities that require improvements to effectively serve as regional hubs in the event of disasters and emergencies.

Since 2007, the OMD has completed, and will continue to complete, ASLEP's at 16 facilities around the state:

- Woodburn Armory (limited to street improvements)
- St. Helens Armory
- Newport Armory
- Gresham Armory
- Hood River Armory
- Milton-Freewater Armory
- Sharff Hall (Portland)
- Medford Armory
- Roseburg Armory
- Baker City Armory
- Oregon Youth Challenge Program (Bend)
- Grants Pass Armory
- Owen Summers/Anderson Readiness Center (Salem-ongoing)
- Jackson Armory (Portland)

- Ashland Armory (ongoing)
- Corvallis Armory (ongoing)

The **Salem Armory and Auditorium** were constructed in 1961 and total 55,501 square feet. They are in a state of significant decline. The deferred maintenance issues and building conditions result in an unproductive training environment, improper storage of sensitive items, premature aging of mission essential equipment, overcrowding and a limited ability to provide the necessary resiliency in times of disaster. Deferred maintenance and improved resiliency is estimated at \$6.3 million. This project will alleviate much of the deferred maintenance liabilities as well as provide the added benefit of resiliency in times of disaster and emergencies.

The **Woodburn Armory** was constructed in 1957 and totals 23,033 square feet. It is in a state of significant decline. Severe deficiencies in the electrical, mechanical, and structural components of this facility threaten continued use for its intended purposes. The deferred maintenance issues and building conditions result in an unproductive training environment, improper storage of sensitive items, premature aging of mission essential equipment, overcrowding and a limited ability to provide the necessary resiliency in times of disaster. The OMD currently calculates Woodburn Armory deferred maintenance and improved resiliency at \$6.1 million. This project will alleviate much of the deferred maintenance liabilities as well as provide the added benefit of resiliency in times of disaster and emergencies.

New Construction

Klamath Falls Micro-Armory: This project will construct a 7,500 square foot armory with \$2,000,000 Other Funds limitation funded with bond funds and \$3,750,000 Federal Funds on state-owned land within the perimeter of Kingsley Field Air National Guard Base. This Detachment-sized armory or "micro armory" project will provide the required drill space for less than a full unit. It will contain administrative space, equipment storage, unit supply functions, and compound space to support a 39-person detachment. A full armory is one which has an assigned unit with an authorized strength greater than 55 Service Members and includes Anti-Terrorism Force Protection Measures, a vault, kitchen facility, fitness center, and classrooms. The current assigned unit has an authorized strength of 39 Service Members. Due to the assigned unit having an authorized strength of less than 55 Service Members, an exception to policy was requested from National Guard Bureau (NGB) and its approval/support is anticipated.

With access to facilities at Kingsley Field Air National Guard base such as the fitness center, dining facility, and classrooms, the amount of construction needed for this armory is reduced while still fulfilling requirements of NGB. The detachment will continue to utilize an outdoor mobile weapons vault. The new building will hook up to the existing water, wastewater and electrical systems at the base.

Please note: the construction of this new micro armory facility will not restrict or impede the growth of the Air National Guard base as Kingsley Field transitions to using the F35 fighter jet.

Youth Challenge Program Athletic Field: This project will utilize \$5,047,680 Other Funds Capital Construction funded with bond funds to construct an athletic field at the Senator Jackie Winters Oregon National Guard Youth Challenge campus located near Bend. It is proven that physical fitness provides students with many positive outcomes, both physically and mentally, improving classroom performance by clearing students' minds to improve thinking, learning and judgement abilities. An athletic field at the Oregon Youth Challenge Program (OYCP) will provide these benefits to OYCP students, better preparing them to enter into today's workforce or advanced educational institutions.

OYCP is an alternative high school, currently without an outdoor field to conduct physical education. Constructing an athletic field will improve student health and wellness, allow students to meet NGB graduation requirements and participate in daily physical education classes on-site, eliminating the need to transport students to Bend's public fields. It will also create equity with public high schools that have athletic facilities.

Boardman Multipurpose Machine Gun Range

This project will construct a standard design 10-lane Automated Multipurpose Machine Gun Range (MPMG) at a cost of \$13 million Federal Funds. The range will have six walk-in lanes and four vehicle fighting positions.

The project will include the construction of a range control tower, a targetry storage building, one classroom building, a covered mess, an ammo breakdown building, a covered bleacher structure, as well as target emplacements and utilities. The facilities will be designed to meet Industry Standards as well as all local, state, and federal building codes, with a minimum life expectancy of 50 years. The facilities will be designed to meet qualification requirements for Service Members in the Oregon Army National Guard (ORARNG).

This will be Oregon's Army Standard qualification range and will support all units in the ORARNG, to include the 41st Infantry Brigade Combat Team and its approximately 3,500 Service Members, the 82nd Troop Command Brigade and its approximately 2,400 Service Members, and the 249th Regional Training Institute Requirements for accreditation as an Infantry Training Program.

Funding for the project is included in the Federal Future Year Defense Plan (FYDP), for allocation in FFY 2027, but we are working with the Congressional Delegation to have the funding authorized for FFY 2026. The project design is at 95% complete and we are fully prepared to solicit for a contractor. Completion of this range, which has been in development for many years, will serve as the final component of making Rees Training Center a premier training site for the Service Members of the Oregon National Guard. Having this capability within Oregon will allow for less travel time, more training time, more investment in the economy of Oregon, and more supports to our mission of Defending America and Protecting Oregonians while being the Service of Choice.

Changes requested by OMD

Swap the Bend ASLEP \$9.4 million Other Funds limitation for a \$6.6 million bondfunded property purchase and remodel in Talent, Oregon.

SB 5506 currently contains \$9.4 million Other Funds limitation funded with bonds to conduct an ASLEP at the Bend Armory. The ASLEP would have replaced outdated, inefficient or defective building systems and remodeled existing space. It also would have installed seismic upgrades and backup power to enable the facility to serve as an emergency operations center following emergency events.

However, OMD requests to cancel the \$9.4 million bonds and Other Funds limitation for the Bend ASLEP and instead, utilize \$6.6 million bond funding to complete a property purchase in Talent, Oregon, and remodel the facility there to become the new Medford Field Maintenance Shop (FMS). OMD has been making capital lease payments to the property owners since June 2024 and have a Lease/Option to Purchase Agreement as well as a draft Purchase and Sales Agreement to buy the property for \$4,630,000, less lease payments and earnest money payments that have already been made.

We are in the process of selling property at Christmas Valley to the U.S. Air Force and planned to use the proceeds to purchase the Talent property. However, the U.S. Air Force is conducting an Environmental Impact Study of the site which delays the sale by two or more years. OMD does not have sufficient funds in the Capital Construction Account to make the full \$4,630,000 purchase. The uncertainty of the timing of the Christmas Valley sale creates a situation where the lease could expire before OMD receives sale proceeds with which to purchase the Talent property. Therefore, we have decided to pull the Bend ASLEP bond request in order to fund the Talent purchase without increasing our overall bond or limitation request. The Bend ASLEP is important to OMD and we will request it again in the 2027-29 budget.

House Bill 5202 in the February 2024 legislative session approved \$5.3 million Other Funds limitation for the Medford FMS project. We are requesting to increase this 2023-25 limitation by \$2,350,000 to get to a total of \$7,650,000 to accommodate \$6,600,000 expenditures from bond funds and \$1,050,000 expenditures from the Capital Construction Account.

Linn County Readiness Center site and scope change

OMD requested \$7.0 million Other Funds limitation and \$28 million Federal Funds limitation in Policy Package 490 to construct a new readiness center on 34 acres of land in Linn County near the intersection of I-5 and Highway 34. The readiness center would have replaced the Albany Armory, which was built in 1975, is 17,062 square feet in size and has significant deficiencies. However, environmental reviews of the new site discovered that the property is constrained by prime and unique farmlands, wetlands and a high-water table that cannot be mitigated. An effort was made to locate alternate property, but OMD was not able to acquire the necessary acreage in sufficient time to construct in FFY2027, the year programmed for \$28 million federal military construction funding from the National Guard Bureau. Therefore,

OMD is making the decision to remodel the Albany Armory as an ASLEP rather than construct a new readiness center.

The ASLEP will make improvements to the building, including seismic improvements, additional restrooms, classrooms and administrative space, a modern HVAC system, improved kitchen, improved parking, upgraded security and a renovated building envelope.

The \$7 million bond funding will remain for the project, but the **Federal Funds limitation will decrease from \$28 million to \$3.5 million**.

This concludes our written testimony. Thank you for your consideration of these projects.

Sincerely,

Sean McCormick Chief of State Affairs Oregon Military Department