

**77th OREGON LEGISLATIVE ASSEMBLY – 2014 Session
BUDGET REPORT AND MEASURE SUMMARY**

JOINT COMMITTEE ON WAYS AND MEANS

MEASURE: SB 5702-A

**Carrier – House: Rep. Read
Carrier – Senate: Sen. Girod**

Action: Do Pass as Amended and be Printed A-Engrossed

Vote:

House

Yeas:

Nays:

Exc:

Senate

Yeas:

Nays:

Exc:

Prepared By: Jean Gabriel and Bill McGee, Department of Administrative Services

Reviewed By: Paul Siebert, Legislative Fiscal Office

Meeting Date: March 6, 2014

Agency

Capital Construction – Various agencies

Capital Construction – Department of Administrative Services

Capital Construction – Oregon Military Department

Biennium

2013-15

2011-13

2011-13

Budget Summary

	2013-15 Legislatively Approved Budget		2014 Committee Recommendation		2014 Session Adjustments 2013-15
Other Funds	\$ 265,625,458	\$	266,325,458	\$	700,000
Federal Funds	\$ 2,466,205	\$	2,703,205	\$	237,000
Total	\$ 268,091,663	\$	269,028,663	\$	937,000

	2011-13 Legislatively Approved Budget		2014 Committee Recommendation		2014 Session Adjustments 2011-13
Other Funds	\$ 131,370,716	\$	138,670,716	\$	7,300,000
Federal Funds	\$ 42,892,208	\$	42,892,208	\$	0
Total	\$ 174,262,924	\$	181,562,924	\$	7,300,000

Revenue Summary

Other Funds revenues are from proceeds from the issuance of lottery bonds, proceeds from the issuance of Article XI-G bonds transferred from the Columbia Gorge Community College to the Oregon Military Department, the depreciation component of the Uniform Rent program and other deposits in the Department of Administrative Services Capital Projects Fund established by ORS 276.005, and Oregon Military Department Capital Construction Account (surplus property sale proceeds). Federal Funds revenues are anticipated from the U.S. Department of Commerce, National Telecommunications and Information Administration.

Summary of Capital Construction Subcommittee Action

Department of Community Colleges and Workforce Development

Central Oregon Community College: The Subcommittee replaced a \$5,260,000 Other Funds (Article XI-G bonds) project approved in 2013, with expenditure limitation for a \$3,630,000 Other Funds (Article XI-G bonds) project and approved \$1,630,000 Other Funds (Lottery Bonds) expenditure limitation to provide state funds to retire outstanding Central Oregon Community College (COCC) general obligation bonds sold for construction of a building leased to Oregon State University (OSU) for operation of its Cascades campus. Once the debt is repaid, the COCC will terminate the lease with OSU and remodel the building for college academic and student support use. Match on the Article XI-G bonds would be paid with proceeds from the sale of the Lottery Bonds and \$2 million COCC will spend to remodel the building for use as a Student Success Center. Debt service on the Article XI-G bonds will be paid with General Fund. Debt service on the Lottery Bonds will be paid with Lottery Funds.

Department of Transportation

Public Safety Broadband Planning: \$237,000 Federal Funds (grant from U.S. Department of Commerce, National Telecommunications and Information Administration) is approved for planning for a public safety broadband project, the First Responder Network. This nationwide network will be a high-speed wireless, broadband data network to facilitate communication for public safety users.

Department of Administrative Services

Public Utility Commission Building Exterior Replacement: The Subcommittee increased an Other Funds (Capital Projects Fund) expenditure limitation approved in the 2013 legislative session by \$2,147,920 from \$4,740,390 to \$6,888,310 to provide additional expenditure limitation to replace exterior siding and window glazing, replace interior sheet rock and install a new roof. This increase is fully offset by decreases in expenditure limitation for the three projects listed below.

HVAC Improvement Projects: The Subcommittee reduced an Other Funds (Capital Projects Fund) expenditure limitation approved in the 2013 legislative session by \$947,920 from \$4,921,160 to \$3,973,240 to provide HVAC system upgrades on several state-owned buildings.

Executive Building Renovation: The Subcommittee reduced an Other Funds (Capital Projects Fund) expenditure limitation approved in the 2013 legislative session by \$500,000 from \$800,000 to \$300,000 for architectural design work, engineering plan and budget development for a major renovation of the Executive Building planned for 2015-17.

Fire Panel Upgrades: The Subcommittee reduced an Other Funds (Capital Projects Fund) expenditure limitation approved in the 2011 legislative session by \$700,000 from \$2,791,212 to \$2,091,212 for upgrades to the fire panels and alarm systems in a number of state facilities.

Oregon Military Department

The Dalles Readiness Center: The Subcommittee increased the Other Funds (Capital Projects Fund) expenditure limitation approved in the 2011 legislative session by \$8,000,000 for the design and construction of a new readiness center. The project will be expanded from a currently authorized total of \$18,982,922 total funds to an estimated \$26,982,922 as the Oregon Military Department has partnered with the Columbia Gorge Community College to build a joint Readiness/Workforce Center facility which includes shared space. The revenue source for the \$8,000,000 is a 2009 Article XI-G bond sale by the Department of Community Colleges and Workforce Development for a grant to the Columbia Gorge Community College for a Workforce Development building. The construction is substantially complete and the additional expenditure limitation is needed to make final payment to the contractor.

The Subcommittee also approved a proposal from the Oregon Military Department, as required by ORS 396.515 (4), for the sale of the Oregon Military Academy/Regional Training Institute building.

Oregon State Police

The Subcommittee approved the extension of the project expiration date and expenditure limitation for the Oregon Wireless Interoperability Network (Federal Funds) to June 30, 2014.

DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION

SB 5702-A

Various Agencies

Jean Gabriel 503-378-3107; Bill McGee 503-378-2078

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS	FEDERAL FUNDS	CCWD	TOTAL FUNDS	POS	FTE
					XI-G Bond Expenditures			
<u>COMMITTEE AUTHORIZATIONS</u>								
<u>EDUCATION PROGRAM AREA</u>								
<u>Department of Community Colleges and Workforce Development</u>								
Central Oregon - Academic & Student Svcs Ctr	0	0	N/A	0	(5,260,000)	(5,260,000)	0	0.00
Central Oregon - Reacquisition and remodel of Cascade Hall, termination of OSU leasehold	0	0	1,630,000	0	3,630,000	5,260,000	0	0.00
<u>TRANSPORTATION PROGRAM AREA</u>								
<u>Department of Transportation</u>								
Public Safety Broadband Planning	0	0	0	237,000	N/A	237,000	0	0.00
<u>ADMINISTRATION PROGRAM AREA</u>								
<u>Department of Administrative Services</u>								
HVAC Improvement Projects	0	0	(947,920)	0	N/A	(947,920)	0	0.00
Public Utility Comm Bldg Exterior Replacemet	0	0	2,147,920	0	N/A	2,147,920	0	0.00
Executive Building Renovation	0	0	(500,000)	0	N/A	(500,000)	0	0.00
TOTAL	0	0	2,330,000	237,000	(1,630,000)	937,000	0	0.00

2011-13 Supplemental Expenditure Limitation Adjustments

Department of Administrative Services

Fire Panel Upgrades 0 0 (700,000) 0 N/A (700,000) 0 0.00

Oregon Military Department

The Dalles Readiness Center 0 0 8,000,000 0 N/A 8,000,000 0 0.00