

**HB 5006 BUDGET REPORT and MEASURE SUMMARY**

**Joint Committee On Ways and Means**

**Prepared By:** Jean Gabriel, Department of Administrative Services

**Reviewed By:** Amanda Beitel, Legislative Fiscal Office

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**Capital Construction – Various Agencies  
2019-21**

**Capital Construction – Higher Education Coordinating Commission  
2017-19**

PRELIMINARY

**Budget Summary**

	2017-19 Legislatively Approved Budget <sup>(1)</sup>	2019-21 Committee Recommendation	Committee Change from 2017-19 Legislatively Approved	
			\$ Change	% Change
Other Funds Capital Construction	\$ 835,271,681	\$ 495,149,645	\$ (340,122,036)	-40.7%
Federal Funds Capital Construction	\$ 33,414,638	\$ 33,711,000	\$ 296,362	0.9%
Total	\$ 868,686,319	\$ 528,860,645	\$ (339,825,674)	-39.1%

**2017-19 Supplemental Expenditure Limitation Adjustments**

**Higher Education Coordinating Commission**

OSU - Quality Food and Beverage Center	\$ (9,000,000)	\$ (9,000,000)
OSU - Dairy Products Pilot Plant	\$ 3,000,000	\$ 3,000,000

<sup>(1)</sup> Includes adjustments through December 2018

**Revenue Summary**

Other Fund revenues include proceeds from the issuance of general obligation bonds authorized under Article XI-Q and XI-G of Oregon’s Constitution, proceeds from the issuance of lottery revenue bonds, 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, aircraft registration fees assessed in accordance with ORS 837.040 and 837.045, jet fuel and AV gas taxes, and state gasoline tax and driver and vehicle related fees. Federal Funds revenues are from the National Guard Bureau, the Federal Aviation Administration’s General Aviation Entitlement Program, and the Federal Airport Improvement Program.

## Summary of Capital Construction Subcommittee Action

HB 5006 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. In addition, HB 5006 extends the six-year expiration dates and expenditure limitations for specified projects.

### Oregon Department of Administrative Services

**Deferred Maintenance:** \$10,524,000 Other Funds (Capital Projects Fund) is approved for various capital and tenant improvements in multiple DAS-owned buildings. These improvements include: roof replacements for the Executive Building, Human Services Building, Revenue Building, Publishing and Distribution, and the General Services Building Annex; resealing and flashing the roof of the State Data Center; energy efficient upgrades to lighting and control systems for the Agriculture Building, Public Service Building, and Department of Environmental Quality Building; addition of redundant power supply for the Agriculture Building; and upgrades to boilers, heaters and HVAC systems in multiple buildings, including the Labor & Industry Building.

**Justice Building Exterior Updates:** \$5,000,000 Other Funds (Article XI-Q Bonds) is approved to replace wood window casements with double hung, vented or sliding windows and install an additional ten secondary electrical distribution panels and feed power transformers and circuit breakers.

**Revenue Building Electrical System Upgrades:** \$10,000,000 Other Funds (Article XI-Q Bonds) is approved to plan, design and replace the electrical and HVAC system components of the building.

**Portland State Office Building Upgrades:** \$8,600,000 Other Funds (Article XI-Q Bonds) is approved to repair the roof, replace exterior windows, update security, upgrade the HVAC system, and install high efficiency lighting and lighting controls.

**Wilsonville Building Purchase:** \$24,000,000 Other Funds (Article XI-Q Bonds) is approved to acquire a 175,000 sq. ft. facility in Wilsonville that offers warehouse, lab and office space as well as high-bay doors.

The Subcommittee approved the extension of the project expiration date and expenditure limitation for the following: HVAC Improvement Projects (Other Funds) to June 30, 2021; Roof Replacements (Other Funds) to June 30, 2021; Elevator Upgrades (Other Funds) to June 30, 2021; Carpet Replacements (Other Funds) to June 30, 2021; and Executive Building Renovation (Other Funds) to June 30, 2021.

### Oregon Military Department

**Salem and Pendleton Aviation Facility Emergency Enhancements:** \$9,852,000 Other Funds (Article XI-Q Bonds) is approved to make seismic improvements to the building structures at the Army Aviation Support Facilities in Salem and Pendleton and acquire generators for backup

power, wells, pumps, and storage tanks for potable water, storage systems for emergency supplies, and seismically stable fuel storage for use in the event of an emergency.

***Salem and Anderson Readiness Center Service Life Extension:*** \$5,800,000 Other Funds (Article XI-Q Bonds) and \$6,200,000 Federal Funds (National Guard Bureau) is approved for design and construction of additions and alterations to two facilities located in Salem, the Owen Summers Building and the Anderson Readiness Center. The improvements will bring the facilities 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 replacement of failed paving areas and replacement of existing site lighting, landscaping and fencing.

***Jackson Armory Service Life Extension:*** \$4,275,000 Other Funds (Article XI-Q Bonds) is approved for design and construction of additions and alterations to the Portland Jackson Armory to bring the building into conformance with current building code. This 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 replacement of failed paving areas and replacement of existing site lighting, landscaping and fencing.

***Oregon Military Museum:*** \$2,000,000 Other Funds (Article XI-Q Bonds) is approved for construction and installation of exhibit galleries within the 9,000 sq. ft. former drill floor of the Clackamas Armory at Camp Withycombe that includes casework, graphics, lighting, interpretive panels with inset cases, and dioramas.

***Boardman Tactical Unmanned Aerial Vehicle Facility:*** \$12,000,000 Federal Funds (National Guard Bureau) is approved for construction of a new tactical unmanned aerial vehicle facility at the Naval Bombing Range in Boardman. The facility will include a hanger to store and maintain the aircraft and office space for assigned personnel. The project also involves construction of site improvements, including an aircraft runway and landing systems, parking, lighting, fencing, roadways and required utilities.

***Umatilla Wastewater Treatment Facility and Water Supply Line:*** \$6,000,000 Federal Funds (National Guard Bureau) is approved for construction of a new wastewater treatment system and a new main water supply line for potable water at Camp Umatilla.

***Grants Pass Armory Service Life Extension:*** \$4,300,000 Federal Funds (National Guard Bureau) is approved for additions and alterations to the Grants Pass Armory to more closely align the facility to current federal criteria for supporting the assigned units. The required state match for the federal funds is expected to be Article XI-Q bond proceeds from bonds issued in the 2017-19 biennium to renovate the facility.

Oregon Youth Authority

***Tillamook Medical and Dental Renovations:*** \$1,521,875 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.

**MacLaren Infirmary and Pharmacy Renovation:** \$1,804,000 Other Funds (Article XI-Q Bonds) is approved for capital improvements to renovate and expand the infirmary, clinic and pharmacy at the MacLaren Youth Correctional Facility to meet operational needs.

**Oak Creek Medical and Dental Clinic Renovations:** \$1,271,202 Other Funds (Article XI-Q Bonds) is approved for capital improvements to remodel and expand the medical and dental clinic at the Oak Creek Youth Correctional Facility, including addressing needs identified by the Facility Condition Assessment completed on OYA facilities.

**Control Room Renovations:** \$1,772,500 Other Funds (Article XI-Q Bonds) is approved for capital improvements to renovate the control rooms at the Rogue Valley, Eastern Oregon and Oak Creek Youth Correctional Facilities.

Department of Corrections

**Radio System Replacement:** \$13,998,225 Other Funds (Article XI-Q Bonds) is approved to acquire and install wireless communications systems at 10 correctional facilities for mobile radio communications.

**Camera Systems Upgrades:** \$8,633,804 Other Funds (Article XI-Q Bonds) is approved to acquire and install upgraded camera systems at 10 correctional facilities and place additional cameras in strategic locations to improve monitoring of activity.

**Capital Improvement and Renewal:** \$24,478,039 Other Funds (Article XI-Q Bonds) is approved for facility improvements in several facilities including building envelope, electrical systems, water systems, roofs, HVAC, fire systems and infrastructure improvements to address needs identified in the Facility Condition Assessment completed on the department's facilities.

Department of Transportation

**South Coast Maintenance Station:** \$12,000,000 Other Funds (fee revenue) is approved for the land purchase and design of a new South Coast Maintenance Station to be located in the Coos Bay area, consolidating services from three sites to one centralized location.

**Central Coast Maintenance Station:** \$8,000,000 Other Funds (fee revenue) is approved for the land purchase and design of a new Central Coast Maintenance Station to be located in the Lincoln County area, a joint project with the Department of Forestry for a co-located site.

Department of Aviation

**Prospect State Airport Runway Reconstruction:** \$2,160,000 Other Funds (jet fuel and AV gas taxes) is approved to conduct renovations at the Prospect State Airport. This project includes reconstruction of the runway, including design engineering and construction of a new subbase.

**Aurora State Airport Run-up Area Construction:** \$1,845,000 Federal Funds (Federal Aviation Administration) and \$205,000 Other Funds (aircraft registration fees) is approved to conduct rehabilitation at the Aurora State Airport. This project includes design engineering and construction of a run-up area for runway 17 to improve safety and reduce congestion.

***Condon State Airport Runway Rehabilitation:*** \$2,340,000 Federal Funds (Federal Aviation Administration) and \$260,000 Other Funds (aircraft registration fees) is approved to conduct rehabilitation at the Condon State Airport. This project includes rehabilitation of the runway, which is needed to meet federal standards for safe operating conditions.

***Siletz Bay State Airport Taxiway Rehabilitation:*** \$1,026,000 Federal Funds (Federal Aviation Administration) and \$114,000 Other Funds (aircraft registration fees) is approved to conduct rehabilitation at the Siletz State Airport. This project includes rehabilitation of the taxiway, which is needed to meet federal standards for safe operating conditions.

#### Oregon Department of Fish and Wildlife

The Subcommittee approved the extension of the project expiration date and expenditure limitation for the Ruby Pipeline (Other Funds) to June 30, 2020 and for the Clackamas Hatchery Intake System (Other Funds) to June 30, 2021.

#### Oregon Housing and Community Services

***Local Innovation and Fast Track (LIFT) Housing:*** \$150,000,000 Other Funds (Article XI-Q Bonds) is approved to acquire, construct, remodel, equip or furnish real property in which the department will take either an ownership or operational interest to provide affordable housing for low-income Oregonians, as well as citizens in historically underserved communities and communities of color. This amount is estimated to provide financing for an estimated 2,168 units.

***Permanent Supportive Housing:*** \$50,000,000 Other Funds (Article XI-Q Bonds) is approved to acquire, construct, remodel, repair, equip or furnish real property in which the department will take an operational or ownership interest to provide affordable housing that will be combined with tenancy supports and other services for low income citizens with high needs, including persons with disabilities and persons coming out of chronic homelessness. This amount is assumed to provide financing for an estimated 500 units.

#### Oregon Judicial Department

***Oregon Supreme Court Building Renovation:*** \$27,820,000 Other Funds (Article XI-Q Bonds) is approved to renovate the Oregon Supreme Court building, including seismic updates, energy efficiency improvements, and various systems and safety code upgrades.

***Multnomah County Courthouse Furnishings and Equipment:*** \$8,500,000 Other Funds (Article XI-Q Bonds) is approved to purchase state-owned furniture and equipment for the new Multnomah County Courthouse.

## Higher Education Coordinating Commission (HECC)

### **HECC - Public Universities**

The Subcommittee approved a \$77,700,000 Other Funds Capital Construction six-year expenditure limitation for the Higher Education Coordinating Commission for distribution of general obligation bond proceeds to public universities. This amount corresponds to the total project amounts for two new university projects authorized in HB 5005. Projects are funded with proceeds from the issuance of Article XI-Q bonds and will be disbursed as grants, pursuant to grant contracts between HECC and each university. Project descriptions are included in HB 5005. The expenditure limitation expires June 30, 2025.

In addition, the Subcommittee approved adjustments to the Higher Education Coordinating Commission capital construction limitation for the 2017-19 biennium to coincide with changes in authorized bond-funded projects made in SB 5542 (2019). The Other Funds (Article XI-G bond proceeds) Capital Construction six-year expenditure limitation for 2017-19 is decreased by \$9,000,000 for the Oregon State University Quality Food and Beverage Center project which was replaced and increased by \$3,000,000 for the Oregon State University Dairy Products Pilot Plant that was approved in SB 5542 (2019).

### **HECC - Community Colleges**

The Subcommittee approved a \$24,860,000 Other Funds Capital Construction six-year expenditure limitation for the Higher Education Coordinating Commission for distribution of Article XI-G general obligation bond and lottery revenue bond proceeds to community colleges. This amount corresponds to the total project amounts for three new community college projects authorized and an increase in one project reauthorized in HB 5005. Projects are funded with proceeds from the issuance of Article XI-G bonds and will be disbursed as grants pursuant to grant agreements between HECC and each community college. Project descriptions are included in HB 5005. The expenditure limitation expires June 30, 2025.

PRELIMINARY

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

**HB 5006-A**

**Various Agencies**  
**Jean Gabriel 503-378-3107**

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS	FEDERAL FUNDS	TOTAL FUNDS	POS	FTE
<b><u>COMMITTEE AUTHORIZATIONS</u></b>							
<b><u>EDUCATION PROGRAM AREA</u></b>							
<b><u>Higher Education Coordinating Commission</u></b>							
All - Capital Improvement and Renewal	\$ -	\$ -	\$ 65,000,000	\$ -	\$ 65,000,000	0	0.00
OIT - OMIC R&D Rapid Toolmaking Center, Rapid Prototyping Education Lab, and Sinter HIP Equipment	\$ -	\$ -	\$ 12,700,000	\$ -	\$ 12,700,000	0	0.00
Blue Mtn CC - Facility for Agricultural Resource Management	\$ -	\$ -	\$ 8,000,000	\$ -	\$ 8,000,000	0	0.00
Central Oregon CC - Classroom Building Redmond Campus	\$ -	\$ -	\$ 8,000,000	\$ -	\$ 8,000,000	0	0.00
Klamath CC - Apprenticeship and Industrial Trades Center	\$ -	\$ -	\$ 3,910,000	\$ -	\$ 3,910,000	0	0.00
Treasure Valley CC - Nursing-Allied Health Professions Center	\$ -	\$ -	\$ 4,950,000	\$ -	\$ 4,950,000	0	0.00
<b><u>ADMINISTRATION PROGRAM AREA</u></b>							
<b><u>Department of Administrative Services</u></b>							
Deferred Maintenance	\$ -	\$ -	\$ 10,524,000	\$ -	\$ 10,524,000	0	0.00
Justice Building Exterior Updates	\$ -	\$ -	\$ 5,000,000	\$ -	\$ 5,000,000	0	0.00
Revenue Building Electrical System Upgrades	\$ -	\$ -	\$ 10,000,000	\$ -	\$ 10,000,000	0	0.00
Portland State Office Building Upgrades	\$ -	\$ -	\$ 8,600,000	\$ -	\$ 8,600,000	0	0.00
Wilsonville Building Purchase	\$ -	\$ -	\$ 24,000,000	\$ -	\$ 24,000,000	0	0.00
<b><u>PUBLIC SAFETY PROGRAM AREA</u></b>							
<b><u>Oregon Military Department</u></b>							
Salem and Pendleton Aviation Facility Emergency Enhancements	\$ -	\$ -	\$ 9,852,000	\$ -	\$ 9,852,000	0	0.00
Salem and Anderson Readiness Center Service Life Extension	\$ -	\$ -	\$ 5,800,000	\$ 6,200,000	\$ 12,000,000	0	0.00
Jackson Armory Service Life Extension	\$ -	\$ -	\$ 4,275,000	\$ -	\$ 4,275,000	0	0.00
Oregon Military Museum	\$ -	\$ -	\$ 2,000,000	\$ -	\$ 2,000,000	0	0.00
Boardman Tactical Unmanned Aerial Vehicle Facility	\$ -	\$ -	\$ -	\$ 12,000,000	\$ 12,000,000	0	0.00
Umatilla Wastewater Treatment Facility & Water Supply Line	\$ -	\$ -	\$ -	\$ 6,000,000	\$ 6,000,000	0	0.00
Grants Pass Armory Service Life Extension	\$ -	\$ -	\$ -	\$ 4,300,000	\$ 4,300,000	0	0.00

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**Oregon Youth Authority**

Tillamook Medical and Dental Renovations	\$ -	\$ -	\$ 1,521,875	\$ -	\$ 1,521,875	0	0.00
MacLaren Infirmary and Pharmacy Renovation	\$ -	\$ -	\$ 1,804,000	\$ -	\$ 1,804,000	0	0.00
Oak Creek Medical and Dental Clinic Renovations	\$ -	\$ -	\$ 1,271,202	\$ -	\$ 1,271,202	0	0.00
Control Room Renovations	\$ -	\$ -	\$ 1,772,500	\$ -	\$ 1,772,500	0	0.00

**Department of Corrections**

Radio System Replacement	\$ -	\$ -	\$ 13,998,225	\$ -	\$ 13,998,225	0	0.00
Camera Systems Upgrades	\$ -	\$ -	\$ 8,633,804	\$ -	\$ 8,633,804	0	0.00
Capital Improvement and Renewal	\$ -	\$ -	\$ 24,478,039	\$ -	\$ 24,478,039	0	0.00

**ECONOMIC AND COMMUNITY DEVELOPMENT PROGRAM AREA**

**Oregon Housing and Community Services**

Local Innovation and Fast Track (LIFT) Housing	\$ -	\$ -	\$ 150,000,000	\$ -	\$ 150,000,000	0	0.00
Permanent Supportive Housing	\$ -	\$ -	\$ 50,000,000	\$ -	\$ 50,000,000	0	0.00

**TRANSPORTATION PROGRAM AREA**

**Department of Transportation**

South Coast Maintenance Station	\$ -	\$ -	\$ 12,000,000	\$ -	\$ 12,000,000	0	0.00
Central Coast Maintenance Station	\$ -	\$ -	\$ 8,000,000	\$ -	\$ 8,000,000	0	0.00

**Department of Aviation**

Prospect State Airport Runway Reconstruction	\$ -	\$ -	\$ 2,160,000	\$ -	\$ 2,160,000	0	0.00
Aurora State Airport Run-Up Area Construction	\$ -	\$ -	\$ 205,000	\$ 1,845,000	\$ 2,050,000	0	0.00
Condon State Airport Runway Rehabilitation	\$ -	\$ -	\$ 260,000	\$ 2,340,000	\$ 2,600,000	0	0.00
Siletz Bay State Airport Taxiway Rehabilitation	\$ -	\$ -	\$ 114,000	\$ 1,026,000	\$ 1,140,000	0	0.00

**JUDICIAL PROGRAM AREA**

**Oregon Judicial Department**

Oregon Supreme Court Building Renovation	\$ -	\$ -	\$ 27,820,000	\$ -	\$ 27,820,000	0	0.00
Multnomah County Courthouse Furnishings and Equipment	\$ -	\$ -	\$ 8,500,000	\$ -	\$ 8,500,000	0	0.00

<b>TOTAL</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 495,149,645</b>	<b>\$ 33,711,000</b>	<b>\$ 528,860,645</b>	<b>0</b>	<b>0.00</b>
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**2017-19 Supplemental Expenditure Limitation Adjustments**

**Higher Education Coordinating Commission**

OSU - Quality Food and Beverage Center	\$ -	\$ -	\$ (9,000,000)	\$ -	\$ (9,000,000)	0	0.00
OSU - Dairy Products Pilot Plant	\$ -	\$ -	\$ 3,000,000	\$ -	\$ 3,000,000	0	0.00