

ANALYSIS

Item 18: Oregon Military Department Rees Training Center Construction Project

Analyst: John Terpening

Request: Increase Federal Funds Capital Construction expenditure limitation for the Oregon Military Department by \$404,000 for the Modified Record Fire Range at the Rees Training Center.

Analysis: Oregon Military Department (OMD) has received additional federal funding from the National Guard Bureau for federal fiscal year 2022 for the Modified Record Fire Range construction project at Rees Training Center, formerly known as Camp Umatilla. This project is for the repair and expansion of the current Modified Record Fire Range to replace the existing target mechanisms and to add two additional firing lanes which will transform the range into an Automatic Record Fire Range.

The Department initially received approval from the September 2022 Emergency Board for \$1,896,000 of Federal Funds Capital Construction expenditure limitation for this project; however, since that time the project costs have increased based on successful bids for the design and construction. This is a 100% federally funded project, and no state match is required.

Recommendation: The Legislative Fiscal Office recommends that the Emergency Board increase the Federal Funds Capital Construction expenditure limitation for the Oregon Military Department by \$404,000 for the Rees Training Center Modified Record Fire Range.

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Oregon Military Department
Gibson

Request: Increase Capital Construction Federal Funds expenditure limitation by \$0.4 million for the Modified Record Fire Range to the Automatic Record Fire Range Conversion Project at Rees Training Center.

Recommendation: Approve the request.

Discussion: The Oregon Military Department (OMD) requests an additional \$404,000 Capital Construction Federal Funds expenditure limitation for the Modified Record Fire Range to the Automatic Record Fire Range Conversion Project at Rees Training Center. The department initially received a \$1,896,000 Capital Construction Federal Funds expenditure limitation for this project at the September 2022 meeting of the Emergency Board; however, a successful bid exceeded the limitation by \$190,150. Therefore, the department requests the \$190,150 expenditure limitation increase and an additional \$213,850 expenditure limitation to buffer against the need for a future increase request.

Legal Reference: Increase the Capital Construction Federal Funds expenditure limitation established by the Emergency Board at its September 2022 meeting by \$404,000 for the Oregon Military Department, Rees Training Center modified record fire range for the 2021-23 biennium.



OREGON MILITARY DEPARTMENT
JOINT FORCE HEADQUARTERS, OREGON NATIONAL GUARD
FINANCIAL ADMINISTRATION DIVISION
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P.O. BOX 14350
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October 24, 2022

The Honorable Senator Peter Courtney, Co-Chair
The Honorable Representative Dan Rayfield, Co-Chair
Joint Emergency Board
900 Court Street NE
H-178 State Capitol
Salem, OR 97301-4048

Dear Co-Chairpersons:

The Oregon Military Department (OMD) requests a \$404,000 increase in Capital Construction Federal Fund limitation for the Modified Record Fire (MRF) Range conversion to an Automatic Record Fire (ARF) Range project at the Rees Training Center (RTC) in Umatilla, Oregon. This is an increase to limitation recently approved by the September 2022 Emergency Board and is necessary to cover contract costs higher than previous estimates as well as potential contingency costs.

Agency Action

The National Guard Bureau (NGB) provided direct funding to the OMD in the amount of \$1,896,000 for the MRF to ARF Range project at the RTC. The successful bids for design and construction contracts currently exceed our limitation by \$190,150. To cover potential cost increases (contingency), an additional \$213,850 limitation is also requested, bringing the total new limitation request to \$404,000. The cost increases will be funded by existing federal funding in the Army National Guard Facilities Program Cooperative Agreement, the main funding mechanism for maintaining and upgrading Army National Guard facilities in Oregon. The total revised project limitation will be \$2,300,000.

The purpose of this project is to convert the existing MRF Range to an ARF Range to improve operational readiness. The current MRF Range is antiquated and requires excessive maintenance to keep the existing pneumatic target control system operational. Additionally, the range conversion from the MRF Range to the ARF Range will bring it into compliance with updated regulations and standards.

The design and construction will modify the existing target placements, install new target lifters, replace the pneumatic system with an electrical system and add an improved control system. The result, once completed, will enhance the Range Complex at the RTC by providing a modern ARF Range for the Oregon National Guard.

Action Requested

Increase Capital Construction Federal Funds limitation for the Modified Record Fire Range to the Automatic Record Fire Range Conversion Project at Rees Training Center by \$404,000.

Legislation Affected

September 2022 Emergency Board item 30 (RTC's MRF to ARF range conversion project).

Thank you for your consideration of this request.

Sincerely,

Sean McCormick
Chief Financial Officer
Oregon Military Department