

## ANALYSIS

### Item 20: Oregon Military Department Capital Construction Limitation Increases

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**Analyst:** John Terpening

**Request:** Increase Federal Funds capital construction expenditure limitation by \$34,010,000 for construction projects at the Rees Training Center, Owen Summers building, and Washington County Readiness Center.

**Analysis:** The Oregon Military Department (OMD) has received additional funding from the National Guard Bureau (NGB) for federal fiscal year 2023 to continue previously approved projects at the Rees Training Center (RTC), Owen Summers building in Salem, and the Washington County Readiness Center in Hillsboro.

The projects at the RTC include construction of four barracks facilities: two open bay barracks, the Officer and Non-Commissioned Officer quarters, and barracks at the Regional Training Institute. The amount of increased NGB funding totals \$29.5 million. When completed, these projects will bring the billeted capacity for the RTC to 891 and total almost \$85 million, 100% of which is federal funding. The capital construction expenditure limitation originally approved for these RTC projects occurred when the facility was still referred to as Camp Umatilla. As a result, any adjustments to the expenditure limitation reference the name originally used in statute for this project (Camp Umatilla Barracks Facilities).

The Owen Summers building project received state funding during the 2023 session for seismic strengthening and life safety improvements through \$5.5 million Other Funds supported with Article XI-Q bond proceeds and \$5.5 million in matching Federal Funds. \$1.2 million in additional funding is now available from the NGB. No additional state match is required for this increased amount.

Finally, the Washington County Readiness Center project received state funding during the 2021 session through \$5.3 million Other Funds supported with Article XI-Q bond proceeds and \$22.7 million in Federal Funds. Additional funding of \$3.3 million is now available from the NGB for this project but will not change the state cost share responsibility. No additional state match is required for this increased amount.

**Recommendation:** The Legislative Fiscal Office recommends that the Joint Interim Committee on Ways and Means recommend increasing Federal Funds capital construction expenditure limitation by \$29,500,000 for Camp Umatilla Barracks Facilities; \$1,210,000 for the Salem Owen Summers Building Seismic Strengthening and Life Safety Improvements; and \$3,300,000 for the Washington County Readiness Center, for the Oregon Military Department in a budget reconciliation bill during the 2024 legislative session for increased funding for capital construction projects.

**Request:** Increase Capital Construction Federal Funds expenditure limitation by \$34,010,000 for funding from the National Guard Bureau for three construction projects.

**Recommendation:** Approve the request during the 2024 Legislative Session.

**Discussion:** The Oregon Military Department (OMD) has obtained increased Federal Funds from the National Guard Bureau (NGB) to assist in several ongoing construction projects previously authorized by the legislature. There are no additional General Fund match requirements to receive the funds.

The additional funding will be used as follows:

- Four new barracks facilities at Rees Training Center (Hermiston, Oregon)  
OMD requests a \$29,500,000 Capital Construction Federal Funds expenditure limitation increase to supplement the limitation approved in Senate Bill 5506 (2021) for the Umatilla Barracks Phase 2 projects. Combined with pre-existing limitation for barracks at Rees Training Center, OMD will have nearly \$85 million in Federal Funds for this temporary lodging for up to 891 at the training site.

These facilities will be designed to meet industry standards as well as all local, state, and federal building codes. Construction will include all utility services, information systems, fire detection and alarm systems, roads, walks, curbs, gutters, storm drainage, parking areas as well as site improvements.

- Owen Summers Seismic Strengthening (Salem, Oregon)  
OMD requests a \$1,210,000 Capital Construction Federal Funds expenditure limitation increase to supplement the limitation approved in House Bill 5006 (2023). House Bill 5006 included \$5,500,000 Federal Funds expenditure limitation as well as \$5,500,000 Other Funds expenditure limitation funded with XI-Q bonds. Subsequently, OMD gathered construction cost estimates and has received approval and funding in the amount of \$6,710,000 Federal Funds for the project.

This project will provide seismic strengthening to current building codes and other building standards. In the spring of 2023, OMD contracted with Miller Consulting Engineers to perform a seismic study of the Owen Summers building. The consultant found numerous non-compliance structural life-safety or collapse prevention elements with significant shortcomings; a Cascadia-type earthquake would cause significant damage to the building. The proposed project will bring the life-safety of the building to current building code standards for seismic performance.

- Washington County Readiness Center (Hillsboro, Oregon)  
OMD requests a \$3,300,000 Capital Construction Federal Funds expenditure limitation increase to supplement the limitation approved in Senate Bill 5506 (2021). The change in federal cost share was identified in the FY24 Future Year Defense Plan, and has been revised to \$31,300,000, raising the federal cost to \$26,000,000 and the state cost remaining static at \$5,300,000.

The new Washington County Readiness Center will encompass 81,584 square feet including support facilities and support training, administrative, and logistical requirements for the Oregon Army National Guard. This facility will include a backup/emergency generator, organizational vehicle paved parking, controlled waste facility, and unheated vehicle storage shed. The facility will be designed to meet industry standards as well as all local, state, and federal building codes.

**Legal Reference:** Increase Capital Construction Federal Funds expenditure limitation established by chapter 659, section 2(2)(a), Oregon Laws 2021, for the Oregon Military Department, Camp Umatilla Barracks Facilities, by \$29,500,000 for the 2023-25 biennium.

Increase Capital Construction Federal Funds expenditure limitation established by chapter 597, section 2(2), Oregon Laws 2023, for the Oregon Military Department, Salem Owen Summers Building Seismic Strengthening and Life Safety Improvements, by \$1,210,000 for the 2023-25 biennium.

Increase Capital Construction Federal Funds expenditure limitation established by chapter 659, section 2(2)(c), Oregon Laws 2021, for the Oregon Military Department, Washington County Readiness Center, by \$3,300,000 for the 2023-25 biennium.



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December 4, 2023

The Honorable Senator Elizabeth Steiner, Co-Chair  
The Honorable Representative Tawna Sanchez, Co-Chair  
Interim Joint Committee on Ways and Means  
900 Court Street NE  
H-178 State Capitol  
Salem, OR 97301

Dear Co-Chairs:

### **Nature of the Request**

The Oregon Military Department (OMD) requests increases in three Federal Funds Capital Construction limitations to reflect increased federal funding from the National Guard Bureau (NGB) for three capital construction projects. The requested limitation increases by project include:

1. \$29,500,000 Federal Funds for Umatilla Barracks Phase 2;
2. \$1,210,000 Federal Funds for the Owen Summers Seismic Strengthening Project; and
3. \$3,300,000 Federal Funds for the Washington County Readiness Center in Hillsboro.

### **Agency Action**

#### **1. Four new barracks facilities at Rees Training Center (RTC) (Hermiston, Oregon)**

- a. Open bay, 164 bed barracks:** OMD has received \$9,704,000 Federal Funds from NGB to construct a 26,191 square foot Collective Training Unaccompanied Housing, Open Bay, that supports unaccompanied enlisted personnel and authorized civilians who are conducting training at a location other than their assigned home station, in this case at RTC, for the Oregon Army National Guard. OMD is increasing the limitation request to **\$10,000,000** to cover potential cost and funding increases. This facility will support the training site requirements by adding approximately 164 bed spaces. This facility will help provide housing to Oregon Army National Guard soldiers attending unit training programs, in addition to moving this training site closer to its 1,040 bed requirement. The underlying land at this location is Department of Defense-owned and licensed to the State of Oregon for Army National Guard use.
- b. Open bay, 24 bed barracks:** OMD will receive \$2,623,000 Federal Funds in federal fiscal year 2024 to construct new Open Bay Barracks to improve operational readiness. OMD is requesting a limitation increase of **\$3,000,000** to cover potential cost and funding increases. The proposed project is construction under the Modernization program and will enable

more effective training and efficient use of resources. The project would provide additional Open Bay Barracks. The new building will provide approximately 7,314 square feet of billeting space for 24 Soldiers and would include building systems both within and outside of the primary facility incorporating a durable, energy efficient basic design, with latrines and showers. The site has already been developed for this additional barracks building. The project is required due to the shortage of Open Bay Barracks at Rees Training Center. The training site does not meet the installation functional needs requirements due to a lack of barracks space. This project will provide an efficient layout of the building and will extend the functionality of the training site.

- c. **NCO/Officer Quarters, 39 beds:** OMD has also received \$7,734,000 Federal Funds from NGB to design and construct a 14,698 square foot Collective Training Unaccompanied Housing, Senior Non-Commissioned Officer (NCO)/ Officer Quarters to support unaccompanied personnel in Active and Reserve component units training at sites other than home station requirements, in this case at RTC, for the Oregon Army National Guard. OMD is requesting a limitation increase of **\$8,000,000** in order to cover potential cost and funding increases. This facility is designed to meet the requirement for a building capable of billeting individuals up to 39 persons with latrines. This facility will help support the training site requirements for Senior NCO and Officer beds. It will help provide housing to Oregon Army National Guard soldiers attending unit training programs at RTC and will help support the training site towards achieving the overall goal of the 1,040 bed space requirement.
- d. **Regional Training Institute 39 bed barracks:** OMD has received \$7,984,000 in Federal Funds from NGB to design and construct a 14,677 square foot Post-Initial Military Training Unaccompanied Housing facility for the 249<sup>th</sup> Regional Training Institute in support of the training requirements of the Oregon Army National Guard as well as the U.S. Army Accreditation Standards. OMD is requesting a limitation increase of **\$8,500,000** in order to cover potential cost and funding increases. The facility will include 39 rooms to fulfill the need for the Regional Training Institute's yearly training requirement. With this facility, the 249<sup>th</sup> Regional Training Institute will pass their upcoming re-assessment for their US Army Accreditation because they will have adequate housing facilities specifically for their classes.

These facilities will be designed to meet Industry Standards as well as all local, State, and Federal building codes. Construction will include all utility services, information systems, fire detection and alarm systems, roads, walks, curbs, gutters, storm drainage, parking areas as well as site improvements. Facilities will be designed to a minimum life of 50 years in accordance with DoD's Unified Facilities Code (UFC 1-200-02) including energy efficiencies, building envelope and integrated building systems performance as per the Sustainable Design and Development Policy Update issued January 2017 by the Assistant Secretary of the Army (Installations, Energy and Environment). The underlying land of the planned location is owned by the Department of Defense and licensed to the State of Oregon for Army National Guard use.

Limitation increases for the four barracks projects total **\$29,500,000**, which OMD requests to add to existing limitation for the Umatilla Barracks Phase 2 projects. Combined with pre-existing limitation for barracks at Rees Training Center, OMD will have nearly \$85 million limitation for billeting at the training site, all 100% federally funded. When these projects are complete, RTC will have a billeting capacity of 891. The tremendous investments in the Rees Training Center by the National Guard Bureau demonstrate a commitment to its development as a critical training site in northeast Oregon.

## **2. Owen Summers Seismic Strengthening (Salem, Oregon)**

The Owen Summers building was constructed in 1990 and is approximately 87,000 square feet. It provides administrative and meeting space for OMD staff and Oregon National Guard (ONG) personnel. Prior to the construction of the Major General George White Headquarters facility in 2018, it served as the joint force headquarters for senior leaders of the ONG and OMD.

This project will provide seismic strengthening to current building codes and life-safety building standards. This building was constructed to 1986 Oregon Structural Specialty Code Standards. Significant seismic loading and detailing has been introduced into the building code for this area since that time. In the spring of 2023, OMD contracted with Miller Consulting Engineers to perform a seismic study of the Owen Summers building. The consultant found numerous non-compliance structural life-safety or collapse prevention elements with significant shortcomings; a Cascadia-type earthquake would cause significant damage to the building. The proposed project will bring the life-safety of the building to current building code standards for seismic performance.

The 2023 Oregon Legislature approved the Owen Summers Building Seismic Strengthening and Life Safety Improvements Project in HB 5006 with \$5,500,000 in Federal Funds limitation as well as \$5,500,000 Other Funds limitation funded with XI-Q bonds. Subsequently, OMD gathered construction cost estimates and has received approval and funding in the amount of \$6,710,000 in Federal Funds for the project. OMD is requesting an increase of **\$1,210,000** Federal Funds Capital Construction limitation for this project. Additional bonds and Other Funds limitation are not required.

## **3. Washington County Readiness Center (Hillsboro, Oregon)**

The Army National Guard Military Construction Program has approved the design and construction of the Washington County Readiness Center. The estimated total project cost has been revised to \$31,300,000; with the federal cost being revised to \$26,000,000 and the state cost remaining static at \$5,300,000. The change in federal cost share was identified in the FY24 Future Year Defense Plan. The 2021 Legislature approved \$22,700,000 Federal Funds Capital Construction limitation and \$5,300,000 Other Funds Capital Construction limitation funded with XI-Q bonds in SB 5506. OMD is requesting an additional **\$3,300,000** in Federal Funds Capital Construction limitation to accommodate the total Federal Funds of \$26,000,000.

This building is critical to the State of Oregon because the armory these units previously occupied has been transferred to the Washington County Fair. The new Washington County Readiness Center will encompass 81,584 square feet including support facilities. It will support training, administrative,

and logistical requirements for the Oregon Army National Guard. This facility will include a backup/emergency generator, organizational vehicle paved parking, controlled waste facility and unheated vehicle storage shed. The facility will be designed to meet industry standards as well as all local, state, and federal building codes. Construction will include all utility services, information systems, fire detection and alarm systems, roads, walks, curbs, gutters, storm drainage, parking areas and site improvements. The facility will be designed to a minimum life of 50 years in accordance with DoD's Unified Facilities Code (UFC 1-200-02) including energy efficiencies, building envelope and integrated building systems performance as per the Sustainable Design and Development Policy issued January 2017 by the Assistant Secretary of the Army (Installations, Energy and Environment).

### **Action Requested**

Increase Federal Funds Capital Construction limitation for the following projects:

1. Umatilla Barracks Phase 2: \$29,500,000
2. Owen Summers Seismic Strengthening: \$1,210,000
3. Washington County Readiness Center: \$3,300,000

### **Legislation Affected**

1. Umatilla Barracks Phase 2: Section 2 (2)(a). Chapter 659, Oregon Laws 2021.
2. Owen Summers Seismic Strengthening: Section 2 (2), Chapter 597, Oregon Laws 2023.
3. Washington County Readiness Center: Section 2 (2)(c). Chapter 659, Oregon Laws 2021.

Thank you for your consideration of this request.

Sincerely,

Sean McCormick  
Deputy Chief of State Affairs  
Oregon Military Department