

SUBCOMMITTEE RECOMMENDATION

Item 65: Department of Transportation Headquarters HVAC Upgrade

To: Ways and Means Full Committee
From: Transportation and Economic Development Subcommittee
Carrier: Senator Hansell

The Transportation and Economic Development Subcommittee recommends that the Joint Interim Committee on Ways and Means recommend including an increase of \$2.25 million in the Other Funds capital construction expenditure limitation for the Oregon Department of Transportation in a budget reconciliation bill during the 2024 legislative session for the Region 3 to 5 Headquarters HVAC Upgrades project to complete Region 4 buildings.

Initially budgeted at \$3.8 million in 2021, the project could only cover upgrades for two priority buildings in Regions 3 and 5 due to inflated bid costs. This left two Region 4 buildings with outdated HVAC systems causing safety and comfort issues.

The increased project funding is supported by the sale of the Department's Springfield facility and will allow the agency to complete upgrades for all four buildings under one contract, preventing potential higher costs if delayed to the 2025-27 biennium.

The Transportation and Economic Development Subcommittee recommends approval.