



LIFE : HEALING : PEACE™

2865 Daggett Avenue  
Klamath Falls, OR 97601  
Ph 541 882 6311  
Fx 541 274 6725

skylakes.org

Senator Elizabeth Steiner  
Representative Tawna Sanchez  
Joint Ways & Means Committee Co-Chairs  
900 Court Street NE  
Salem, OR 97301

March 10, 2023

David A. Cauble  
President & CEO

Dear Co-Chairs Steiner and Sanchez,

Sky Lakes Medical Center is writing to support the Oregon Institute of Technology (Oregon Tech) emergency request for \$17.9 million to renovate the institution's unique geothermal heating system. At Sky Lakes, we utilize geothermal heating for much of our operations as well and receive significant benefits from this great natural resource. This infrastructure is critical to Oregon Tech's continued operations, and therefore critical to Klamath County's economy and the shared success of our health system, which is located just steps away from Oregon Tech.

Geothermal energy has been used since the 1960s to provide primary heating to the Klamath Falls campus and was the primary factor for locating the campus where it is today. Oregon Tech pumps hot water ( $\approx 195^{\circ}\text{F}$ ) from below the earth's surface through multiple wells to a storage tank, where it then flows by gravity to various parts of the campus through both underground and tunnel-encased piping. The geothermal water is used to provide heating for campus buildings, snow melting for sidewalks providing ADA pathways, and domestic hot water. The geothermal resource is the only source of heating for most of the campus.

After 60 years of continuous usage, the geothermal wells and delivery systems are aging and experiencing multiple, repeated, single points of failure affecting critical student services and facilities. The critical nature of the system's current condition is a genuine life-safety risk with severe, immediate implications for student and employee safety and to the university's daily operations.

A thorough analysis performed by an engineering firm in June 2022 found \$14.9 million (\$17.9 million adjusted for inflation) in estimated repairs necessary to address immediate emergent and near-term life safety risks and to avoid imminent system failure, which would require campus closure, displacing students, staff, and impacting the economy of south-central Oregon.

Sky Lakes Medical Center and Oregon Tech enjoy a great relationship and have partnered on numerous issues impacting the region and the state. As an academic partner we actively support the clinical education of numerous students, and we rely on Oregon Tech's graduates to help meet our staffing needs. In addition, we frequently partner on projects, like community ventilator support during the pandemic, and numerous other economic development activities. Oregon Tech is a vital partner and plays an important role in education and economic development of our state.

Thank you for your consideration of this request, and service to our state. I hope you are able to fund this request and support continued operations of Oregon Tech.

Sincerely,

David A. Cauble  
President and CEO