New Capital Projects for Consideration in the February 2014 Legislative Session

Four campuses have come forward with 5 new or revised capital project requests that they would like to seek in the February 2014 Legislative session. A brief description of each project follows.

SOUTHERN OREGON UNIVERSITY

McNeal Hall Seismic/Deferred Maintenance Upgrade
The original McNeal Pavilion was completed in 1957 and named for the late Roy McNeal, the University’s first athletic coach. The original building included a large gymnasium, multi-use rooms, locker rooms, classrooms, offices, and support spaces. McNeal is a concrete masonry and steel structure with wood-frame partitions, floors, and roof.

In 1966, the pool, small gymnasium, and dance studio, and additional locker room space were added, also of masonry and steel construction – similar to the original. In 1991 another addition and remodel renovated the main gymnasium and press box, and added staff offices, classrooms, and restrooms at the front of the original structure. The 1991 addition is concrete masonry and wood frame construction.

The facility now includes three gymnasiums, swimming pool, and dance studio, wrestling rooms, physical therapy area, locker rooms, classrooms, offices, and support facilities. The existing McNeal complex is approximately 120,000 square feet. It is a mixed-use facility supporting academic and athletic programs.

Seismic Deficiencies
In July 2013, SOU Safety Manager, Tom Bieber, noticed a bulging wall at the southwest elevation of McNeal Hall. SOU contracted with ZCS Engineering (Grants Pass, OR) to investigate and determine the cause and to recommend solutions. The investigation found significant corrosion in the steel columns and reinforcement that are embedded in the concrete masonry walls. The ZCS study concluded that the steel corrosion was due to extremely high levels of chloride within the original grout mix along with moisture penetration into the concrete masonry walls over the years. The problems were likely compounded by low quality materials and lack of quality control during construction. Due to the severity of this deterioration and possible wall failures, SOU contracted with Degenkolb Engineering (Portland, OR) for a second opinion which confirmed the ZCS assessment.

A facility condition analysis conducted by the ISES Corporation conducted in July 2008 noted the deficient seismic conditions not only at the exterior walls, but also at the wood-framed floors at the ground floor and roof levels.

The engineering reports indicate that, due to widespread structural steel corrosion found due to carbonation from inferior concrete installed during initial construction, wall failures will
occur unless the implementation of permanent solutions occurs. The ZCS report states, “Permanent solutions would include complete demolition and replacement of the 1956 structures or at least the removal and replacement of the masonry walls.” Cost is estimated at $6 million.

**Deferred Maintenance**

The ISES Corporation conducted a detailed assessment of McNeal in July 2008. The report recommended major repairs and maintenance to the entire building shell, noting original clerestory windows had reached the end of their life span, the entire roof needed to be replaced (sections completed in 2011), and the interior of the pool (deck, walls, windows) all needed to be replaced and upgraded along with most of the mechanical equipment. The locker rooms, fixtures, surfaces, and equipment are “in poor condition, and a comprehensive locker room renovation . . . is recommended.” However the issues of greatest concern are the fire and HVAC deficiencies. Specifically noted life safety issues were unrated door assemblies, stairwell and corridor separations; along with a “minimal supplied fire alarms and partial sprinkler system.” The HVAC deficiencies noted are the recommendation of complete replacement of the 1957 and 1966 systems (80% of the building) and upgrade and balancing of the 1991 (20% of the building) systems.

Additional items noted in the report were all plumbing fixtures (in both the 1957 and 1964 construction) are original and past their useful life. The condition ranges from “needing immediate replacement” to “short term failure” depending on location within the building. The report also noted that plumbing fixtures, valves, equipment, etc., in all parts of the facility should be replaced due to deterioration, energy inefficiency, and water consumption. The building does not conform to ADA requirements and has no elevator between the three levels. Movement between the floor levels is through a series of interior/exterior ramps. **Cost is estimated at $15.875 million.**

**Opportunity**

In 2012, the SOU students voted to fund a new Student Recreation Center on campus. OPSIS Architects (Portland, OR) worked with a campus committee of students to determine the best location for a Student Rec Center and, after considering three locations on campus, the most logical, environmental, and cost effective solution was to connect the center to the north side of McNeal. Connecting the new Student Recreation Center to McNeal would allow for shared facilities (such as locker rooms and aquatics). However, the interconnection of the two facilities couldn’t be done without major seismic, mechanical, electrical, and ADA upgrades to McNeal. The strategy for melding the Student Recreation Center with McNeal is described in the attached Opsis Conceptual Design Report. There are significant cost and operational advantages to be gained from connecting the two facilities and sharing spaces.
Proposed Funding (in thousands - ,000 omitted)

<table>
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<th>Bond Type</th>
<th>Paid By</th>
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<td>XI-Q</td>
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$15,875 $21,875

*** includes additional $6 million in infrastructure repairs per engineering report

The following reports were also provided in support of this request.
- ZCS Engineering Report
- Degenkolb Structural Damage Assessment
- ISES Facility Condition Analysis
- Opsis Architecture Conceptual Design Report

OREGON INSTITUTE OF TECHNOLOGY

Utility Tunnel Failure and Repair
The Oregon Institute of Technology (OIT) uses concrete underground tunnels to house its main heating and cooling pipes, drinking water lines, high voltage electrical conduits and communication cables. During a recent sidewalk repair one of its tunnel roofs collapsed. The failure caused large chunks of concrete to fall impacting our utilities including two 8” fiberglass heating lines. Additionally, the failure necessitated the immediate closure of a section of fire lane. Fortunately no students, staff, or workmen were injured during the event. The collapse prompted an immediate investigation and analysis of the entire utility tunnel system. This investigation revealed four additional tunnel sections requiring immediate repair to avoid structural failures and potential collapses. Additionally, the analysis showed the collapsed tunnel was not built to design and had prematurely failed as a result. OIT’s primary concern with these tunnels is falling concrete rupturing fiberglass heating lines causing an uncontrolled flood of 190 degree water and the shutdown of our geothermal electrical power plant. Such a rupture would result in hundreds of gallons of scalding water flooding through the tunnels submerging building electrical rooms, mainframe equipment rooms, laboratories and classrooms. The water would also immerse the tunnel’s high voltage cables causing short circuits and an electrocution hazard. The investigating engineers believe the severity of these findings necessitate immediate action or we risk major disruptions to educational programs,
greater future damage costs, campus closures, and potential injury or death to students and staff.

The engineering analysis recommended restricting travel over the damaged areas, an immediate repair of the collapsed tunnel and the repair of the four other areas as soon as practical, e.g., spring 2014. These areas have been closed to traffic including the closure of several fire lanes. All travel, including emergency response vehicles, has been rerouted around the damaged areas to avoid further collapses. The open holes in the walkway and fire lane, created by the collapsed tunnel, are scheduled for repair as a $109,000 change order to a sidewalk replacement project currently underway. This change order and the tunnel inspection and engineering analysis have both been temporarily funded through previously obligated deferred maintenance funds. With emergency funding Oregon Tech will reimburse the deferred maintenance accounts and repair the damaged areas during the 2014 construction season.

Oregon Tech is requesting $1.0 million in emergency repair funds to pay for the structural analysis, emergency tunnel repair and permanent repair of our failing underground utility tunnels.

<table>
<thead>
<tr>
<th>TUNNEL REPAIR COST ESTIMATE 10-10-13</th>
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<tbody>
<tr>
<td>Construction costs</td>
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<tr>
<td>A &amp; E costs</td>
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<tr>
<td>Contingency</td>
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**WESTERN OREGON UNIVERSITY**

**College of Education Supplemental Funding**

Western Oregon University was authorized to build a new College of Education facility during the 2013-2015 biennium. This building is essential to Oregon meeting its 40-40-20 goals and has been identified as a demonstration project for the Governor’s Executive Order 12-16, which seeks to promote wood products as a green building material and encourages innovative uses of wood products.

Current approved funding consists of $1.4 million XI-G bonds, $15.8 million state-paid XI-Q bonds, and $1.4 million in “other funds” – raised through philanthropy. Due to extreme uncertainties surrounding future governance of higher education in Oregon, potential donors have not committed to Western Oregon University and it is unlikely that the required $1.4 million in other funds will be raised to begin this project consistent with the timing of bond issuance in spring 2015.
WOU is requesting that existing authorization for $1.4 million in XI-G bonds and associated $1.4 million matching “other funds” be converted to $2.8 million state-paid XI-Q bonds.

Oregon Military Academic Building Acquisition – Phase 1
In 1991 Western Oregon University entered into a lease agreement with the Oregon Military Department for 10 acres on the northeast corner of campus on which the Oregon Military Department has constructed a 65,000 square foot training facility known as the Oregon Military Academy, (OMA). This facility contains significant class room space on the first floor with sleeping and living quarters on the second floor.

The Oregon Military Department has indicated a desire to vacate the OMA facility and has provided WOU with an initial appraisal of $8.1 million. While Oregon Military Department is required to seek Fair Market Value for property disposals, a variety of factors may influence the ultimate sales price of a particular property. OMD and WOU are currently engaged in discussions to determine an appropriate value for this parcel which will allow both agencies to meet future goals.

It is WOU’s intent to acquire the building in phase 1, and refine existing instruction and living areas in phase 2 to provide a state of the art live learn facility.

This exchange represents a significant opportunity for Western Oregon University, the Oregon Military Department, and the State of Oregon. This facility will provide Western Oregon University with significant instructional space at a relatively low cost, further enabling WOU to fulfill its commitment to the State’s 40-40-20 goal, proceeds of the transfer provides funding for the Oregon Military Department to further its mission of maintaining an autonomous, viable state military force to protect Oregon’s citizenry and support the national military forces when necessary, and the State of Oregon directly benefits by repurposing the existing structure in support of state goals.

WOU is requesting $5.0–$8.1 million state-paid XI-Q Bonds for this project

PORTLAND STATE UNIVERSITY

Graduate School of Education
PSU is in urgent need of new space in which to house the Graduate School of Education, as GSE will be displaced from the School of Business Administration building sometime in 2015. PSU is committed to meeting this immediate need in as cost effective a manner as possible, but also in a manner that is consistent with our stewardship responsibilities relative to the Park Blocks, and supports our sustainability values in terms of reusing/repurposing existing space. Accordingly, in the February session of the Legislature we would like to seek support for the renovation and expansion of an existing building, currently named XSB, but with the Legislature's support and approval, soon to be renamed the Graduate School of Education Building.
The proposed new site for GSE currently is 30,246 GSF in size, and was built in two phases; the first in 1957 and the second in 1964. The building is in very poor condition in that many of its systems are in dire need of replacement. The building is three stories and has offices and classrooms throughout the building, yet does not have an elevator. PSU accommodates a higher percentage of students with disabilities than any other OUS institution and it is imperative that all of its buildings are accessible to all students. In addition to creating a new home for GSE, this new 68,000SF project will modernize spaces for Black Studies, Indigenous Nations, Women, Gender, and Sexuality Studies, and Graduate Studies (existing occupants), and upgrade seven general-pool classroom spaces. The project will also address all of the building’s deferred maintenance and improve its safety, efficiency, and accessibility significantly. The project is estimated to be $20 million.

PSU is seeking the following funding sources for this project: $5 million in gifts, city funds or other sources, $5 million in XI-G bonds and $10 million in state-paid XI-Q bonds.

**STAFF RECOMMENDATION TO THE COMMITTEE**

Staff recommends that the F&A Committee endorse these projects be requested in the following priority order:

1. SOU McNeal Hall Deferred Maintenance and Seismic Repair – due to fire, life safety, and code compliance issues.
2. OIT Utility Tunnel – again, due to safety issues.
3. WOU – Oregon Military Academic acquisition – due to 40-40-20 implications and the fact that this facility sits in the heart of WOU’s campus.
4. PSU – Graduate School of Education facility – due to 40-40-20 implications and associated swing space needs due to the School of Business renovation and expansion.
5. WOU – College of Education supplemental funds.

*(Committee action required.)*