

Agenda Item No. 3.3

**AGENDA ITEM BRIEFING**

**Submitted by:** Billy Hamilton, Executive Vice Chancellor and Chief Financial Officer  
The Texas A&M University System

**Subject:** Approval to Amend the FY 2016-FY 2020 Texas A&M University System Capital Plan to Add the Aggie Softball Stadium Project with a Fiscal Year 2016 Start Date and Approval of the Project Scope and Budget, Appropriation for Pre-Construction and Construction Services, and Approval for Construction for the Aggie Softball Stadium Project, Texas A&M University, College Station, Texas (Project No. 02-3183)

**Proposed Board Action:**

- (1) Amend the approved FY 2016-FY 2020 Texas A&M University System Capital Plan to add the Aggie Softball Stadium Project for Texas A&M University (Texas A&M) with an FY 2016 start date and a total planning amount of \$28,640,000.
- (2) Approve the project scope and budget.
- (3) Appropriate \$28,640,000 for pre-construction services and related project costs.
- (4) Approve construction of the Aggie Softball Stadium at Texas A&M with a total project budget of \$28,640,000.

**Funding/Planning Amount:**

<u>Funding Source</u>	<u>Planning Amount</u>	<u>Average Estimated Annual Debt Service</u>	<u>Debt Service Source</u>
Revenue Financing System Debt Proceeds	\$15,500,000	\$1,229,773	Stadium Revenue Funds
Revenue Financing System Debt Proceeds	\$ 5,000,000	\$1,313,075	12 <sup>th</sup> Man Gifts- Reserves & Stadium Revenue Funds*
Revenue Financing System Debt Proceeds	\$ 3,304,453	\$701,068	Gifts**
Cash on Hand	<u>\$ 4,835,547</u>	N/A	Gifts*
Total Project Funds	<u>\$28,640,000</u>		

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Agenda Item Briefing

\*For the RFS debt to be repaid with 12<sup>th</sup> Man Gifts-Reserves, the 12<sup>th</sup> Man Foundation has committed to fund \$25 million in the form of \$5 million per year over the next five years to jointly fund new softball and track & field stadiums. Texas A&M has allocated \$7.5 million of the \$25 million for this project. The \$5 million RFS debt represents the commitment amount remaining over the next four years, while cash on hand includes the 12<sup>th</sup> Man's first year contribution of \$2.5 million. This portion of the RFS debt will be financed through commercial paper, and will be repaid or replaced with gift reserves as received. Texas A&M will pay interest and meet the 1.15x coverage requirement with Stadium Revenue Funds.

\*\*For the RFS debt to be repaid with Gifts, Texas A&M has committed to fund shortfall in gifts with Stadium Revenue Funds. Currently, there is \$36,483 in outstanding pledge commitments.

**Project Justification:**

Texas A&M Athletics' Aggie softball program is currently served by the 20-year-old Aggie Softball Complex. Due to age and size related to the men's experience at Blue Bell Park and recent NCAA conference affiliation change, the current venue is no longer conducive to support the recruiting of the highest level student athlete, providing student athletes with the best Aggie collegiate experience or providing Aggie patrons a quality game day experience.

**Scope:**

The new venue will be located on current Recreational Sports land at the southwest corner of Tom Chandler Road and Penberthy Road. The following major programming elements will be included in the building:

- The new three level stadium will provide approximately 2,000 fixed seats;
- A new, approximate 6,750 sf, indoor hitting facility;
- Premium seating elements, club seats/club lounge;
- Patron restrooms, novelty retail sales, first aid;
- Team staff offices;
- Home team clubhouse facilities;
- Visiting team and umpires' locker rooms;
- Food preparation, distribution and serving facilities;
- Press, media and broadcast facilities.

The current schedule calls for substantial completion of the Aggie Softball Stadium Project in October 2017. The total project budget is \$28,640,000.

**Other Major Fiscal Impacts:**

None.

**THE TEXAS A&M UNIVERSITY SYSTEM**  
**FACILITIES PLANNING AND CONSTRUCTION**  
Office of the Executive Vice Chancellor and Chief Financial Officer  
March 11, 2016

Members, Board of Regents  
The Texas A&M University System

Subject: Approval to Amend the FY 2016-FY 2020 Texas A&M University System Capital Plan to Add the Aggie Softball Stadium Project with a Fiscal Year 2016 Start Date and Approval of the Project Scope and Budget, Appropriation for Pre-Construction and Construction Services, and Approval for Construction for the Aggie Softball Stadium Project, Texas A&M University, College Station, Texas (Project No. 02-3183)

I recommend adoption of the following minute order:

**“The request to amend the FY 2016-FY 2020 Texas A&M University System Capital Plan to add the Aggie Softball Stadium Project for Texas A&M University with an FY 2016 start date is approved.**

**The project scope along with a project budget of \$28,640,000 for the Aggie Softball Stadium Project is approved.**

**The amount of \$15,500,000 is appropriated from Account No. 01-083536, Revenue Financing System Debt Proceeds (Stadium Revenue Funds), the amount of \$5,000,000 is appropriated from Account No. 01-083536, Revenue Financing System Debt Proceeds (12<sup>th</sup> Man Gifts-Reserves & Stadium Revenue Funds), the amount of \$3,304,453 is appropriated from Account No. 01-083536, Revenue Financing System Debt Proceeds (Gifts), and the amount of \$4,835,547 is appropriated from Account No. 02-512124, 12<sup>th</sup> Man Foundation Athletic Gifts, for pre-construction and construction services and related project costs.**

**The Aggie Softball Stadium Project, Texas A&M University, College Station, Texas, is approved for construction.**

**The Board of Regents of The Texas A&M University System (Board) reasonably expects to incur debt in one or more obligations for this project, and all or a portion of the proceeds received from the sale of such obligations is reasonably expected to be used to reimburse the account(s) for amounts previously appropriated and/or expended from such account(s).**

**As required by Section 5(a) of the Master Resolution of the Revenue Financing System, the Board hereby determines that it will have sufficient funds to meet the financial obligations of The Texas A&M University System, including sufficient Pledged Revenues to satisfy the Annual Debt Service Requirements of the Revenue Financing System and to meet all financial**

**obligations of the Board relating to the Revenue Financing System and that the Participants, on whose behalf the debt is issued, possess the financial capacity to satisfy their Direct Obligations.”**

Respectfully submitted,

**[ORIGINAL SIGNED BY]**

Billy Hamilton  
Executive Vice Chancellor and  
Chief Financial Officer

**Approval Recommended:**

**[ORIGINAL SIGNED BY]**

John Sharp  
Chancellor

**Approved for Legal Sufficiency:**

**[ORIGINAL SIGNED BY]**

Ray Bonilla  
General Counsel

**[ORIGINAL SIGNED BY]**

Michael K. Young, President  
Texas A&M University

<b>AGGIE SOFTBALL STADIUM</b>	<b>PROJECT BUDGET</b>
<b>TEXAS A&amp;M UNIVERSITY</b>	
<b>PROJECT NO. 02-3183</b>	

1. Amount Available for Construction.....	\$24,000,000
2. CMAR Pre-Construction Fees .....	100,000
3. A/E Fees .....	1,500,000
4. Campus Services .....	300,000
5. Other Services .....	500,000
6. Movable Furniture .....	1,500,000
7. FP&C Project Management Fee .....	<u>740,000</u>
8. TOTAL ESTIMATED COST OF PROJECT.....	<u>\$28,640,000</u>

1. Issue A/E Request for Qualifications (RFQ) ..... August 2014
2. Issue Construction Manager at Risk (CM) Request for Proposals (RFP) .....TBD
3. RFQ Due ..... August 19, 2014
4. RFP Due.....TBD
5. A/E Interviews ..... September 18, 2014
6. CM Interviews .....TBD
7. Complete Schematic Design ..... March 25, 2016
8. Board of Regents Approval for Construction ..... April 27, 2016
9. Complete Design Development ..... May 27, 2016
10. 25% CD/Receive Project GMP from CM..... June 24, 2016
11. Bid Package 1: Mass Excavation/Deep Utilities ..... June 24, 2016
12. Begin Construction ..... August 22, 2016
13. Bid Package 2: Footings and Foundations..... July 22, 2016
14. Bid Package 3: Core & Shell & MEP ..... August 26, 2016
15. Bid Package 4: Finishes & Landscape..... September 23, 2016
16. Construction Completion .....October 27, 2017

**TEXAS A&M UNIVERSITY  
REVENUE FINANCING SYSTEM  
2-3183 Aggie Softball Stadium  
Stadium Revenue Funds**

Dates	Outstanding Principal	Principal Amount	Interest Amount	Annual Total	Coverage 1.15x
BONDS	15,655,000.00				
YEAR 1	15,170,000.00	485,000.00	743,612.50	1,228,612.50	1,412,904.38
YEAR 2	14,660,000.00	510,000.00	720,575.00	1,230,575.00	1,415,161.25
YEAR 3	14,130,000.00	530,000.00	696,350.00	1,226,350.00	1,410,302.50
YEAR 4	13,570,000.00	560,000.00	671,175.00	1,231,175.00	1,415,851.25
YEAR 5	12,985,000.00	585,000.00	644,575.00	1,229,575.00	1,414,011.25
YEAR 6	12,370,000.00	615,000.00	616,787.50	1,231,787.50	1,416,555.63
YEAR 7	11,730,000.00	640,000.00	587,575.00	1,227,575.00	1,411,711.25
YEAR 8	11,060,000.00	670,000.00	557,175.00	1,227,175.00	1,411,251.25
YEAR 9	10,355,000.00	705,000.00	525,350.00	1,230,350.00	1,414,902.50
YEAR 10	9,615,000.00	740,000.00	491,862.50	1,231,862.50	1,416,641.88
YEAR 11	8,840,000.00	775,000.00	456,712.50	1,231,712.50	1,416,469.38
YEAR 12	8,030,000.00	810,000.00	419,900.00	1,229,900.00	1,414,385.00
YEAR 13	7,180,000.00	850,000.00	381,425.00	1,231,425.00	1,416,138.75
YEAR 14	6,290,000.00	890,000.00	341,050.00	1,231,050.00	1,415,707.50
YEAR 15	5,360,000.00	930,000.00	298,775.00	1,228,775.00	1,413,091.25
YEAR 16	4,385,000.00	975,000.00	254,600.00	1,229,600.00	1,414,040.00
YEAR 17	3,365,000.00	1,020,000.00	208,287.50	1,228,287.50	1,412,530.63
YEAR 18	2,295,000.00	1,070,000.00	159,837.50	1,229,837.50	1,414,313.13
YEAR 19	1,175,000.00	1,120,000.00	109,012.50	1,229,012.50	1,413,364.38
YEAR 20	-	1,175,000.00	55,812.50	1,230,812.50	1,415,434.38
		<u>\$ 15,655,000.00</u>	<u>\$ 8,940,450.00</u>	<u>\$ 24,595,450.00</u>	<u>\$ 28,284,767.54</u>

Estimated issuance costs and rounding of \$155,000 are included in this schedule.  
Long-term rates are assumed to be 4.75%. Rates are subject to market change.  
Prepared by the Office of the Treasurer - Treasury Services 3/2/16

**Rates are subject to market change. Amounts are preliminary estimates that will be revised at the time bonds are issued.**

**TEXAS A&M UNIVERSITY  
REVENUE FINANCING SYSTEM  
2-3183 Aggie Softball Stadium  
12th Man Gifts-Reserves & Stadium Revenue Funds**

Dates	Outstanding Principal	Principal Amount	Interest Amount	Annual Total	Coverage 1.15x
Commercial Paper	5,000,000.00				
YEAR 1	3,785,000.00	1,215,000.00	100,000.00	1,315,000.00	1,512,250.00
YEAR 2	2,545,000.00	1,240,000.00	75,700.00	1,315,700.00	1,513,055.00
YEAR 3	1,285,000.00	1,260,000.00	50,900.00	1,310,900.00	1,507,535.00
YEAR 4	-	1,285,000.00	25,700.00	1,310,700.00	1,507,305.00
		<u>\$ 5,000,000.00</u>	<u>\$ 252,300.00</u>	<u>\$ 5,252,300.00</u>	<u>\$ 6,040,145.00</u>

Short-term rates are assumed to be 2.00%. Rates are subject to market change.  
Assuming that project will remain in commercial paper until paid off in four years.  
Prepared by the Office of the Treasurer - Treasury Services 3/2/16

**Rates are variable and subject to market change.**

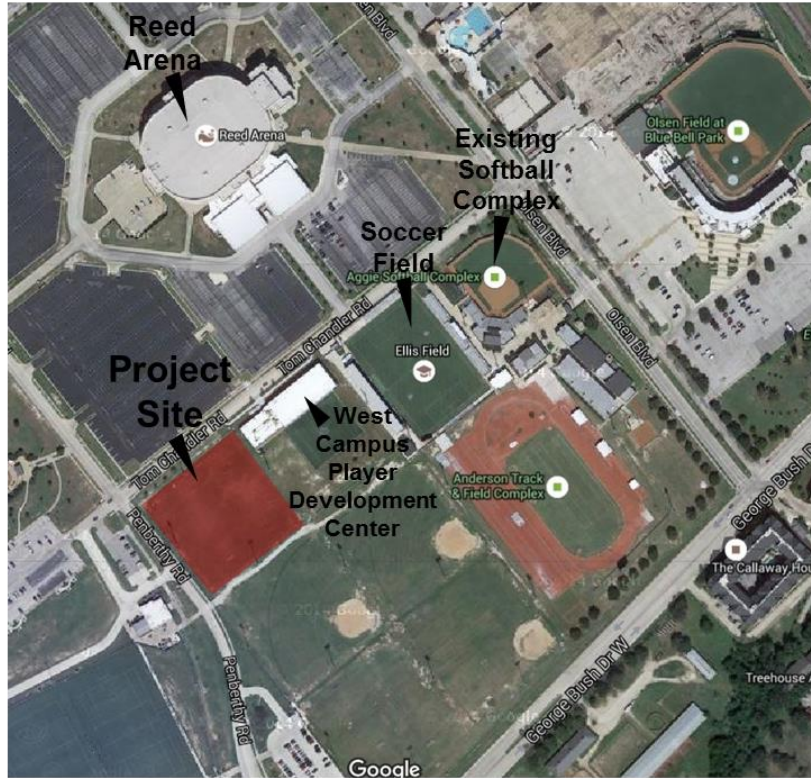


**TEXAS A&M UNIVERSITY  
REVENUE FINANCING SYSTEM  
2-3183 Aggie Softball Stadium  
Gifts**

Dates	Outstanding Principal	Principal Amount	Interest Amount	Annual Total	Coverage 1.15x
Commercial Paper	3,304,453.00				
YEAR 1	2,669,475.00	634,978.00	66,089.06	701,067.06	806,227.12
YEAR 2	2,021,797.00	647,678.00	53,389.50	701,067.50	806,227.63
YEAR 3	1,361,165.00	660,632.00	40,435.94	701,067.94	806,228.13
YEAR 4	687,321.00	673,844.00	27,223.30	701,067.30	806,227.40
YEAR 5	-	687,321.00	13,746.42	701,067.42	806,227.53
		<u>\$ 3,304,453.00</u>	<u>\$ 200,884.22</u>	<u>\$ 3,505,337.22</u>	<u>\$ 4,031,137.81</u>

Short-term rates are assumed to be 2.00%. Rates are subject to market change.  
Assuming that project will remain in commercial paper until paid off in five years.  
Prepared by the Office of the Treasurer - Treasury Services 3/2/16

**Rates are variable and subject to market change.**



## Aggie Softball Stadium

Texas A&M University

Project No. 02-3183