

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 Track & Field 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 Track & Field Stadium Project, Texas A&M University, College Station, Texas (Project No. 02-3184).

Proposed Board Action:

- (1) Amend the approved FY 2016-FY 2020 Texas A&M University System Capital Plan to add the Aggie Track & Field Stadium Project for Texas A&M University (Texas A&M) with an FY 2016 start date and a total planning amount of \$39,800,000.
- (2) Approve the project scope and budget.
- (3) Appropriate \$39,800,000 for pre-construction and construction services and related project costs.
- (4) Approve construction of the Aggie Track & Field Stadium at Texas A&M with a total project budget of \$39,800,000.

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	\$ 9,500,000	\$753,647	Stadium Revenue Funds
Revenue Financing System Debt Proceeds	\$15,000,000	\$3,939,325	12 th Man Gifts- Reserves & Stadium Revenue Funds*
Revenue Financing System Debt Proceeds	\$11,336,299	\$2,405,091	Gifts**
Cash on Hand	<u>\$ 3,963,701</u>	N/A	Gifts*
Total Project Funds	<u>\$39,800,000</u>		

Agenda Item No. 3.4
Agenda Item Briefing

*For the RFS debt to be repaid with 12th Man Gifts-Reserves, the 12th 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 \$17.5 million of the \$25 million for this project. The \$15 million RFS debt represents the commitment amount remaining over the next four years, while cash on hand includes the 12th 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, TAMU has committed to fund any shortfall in gifts with Stadium Revenue Funds. Currently, there is \$4,279,775 in outstanding pledge commitments.

Project Justification:

The Aggie Track & Field Stadium will become the center of the Track and Field athletic program at the College Station, Texas campus. The stadium will serve the training, education, and competition needs of the program, the Athletic Department, the university and College Station community.

The design goal of the three-story, approximately 100,000 square foot, 3,021 seat facility is to create a state-of-the-art facility with locker rooms, meeting rooms, training and treatment rooms, and coaching staff offices as well as seating and support facilities for spectators, officials, athletes, and the media that continues the long tradition of success in Track and Field at Texas A&M.

Scope:

The Aggie Track & Field Stadium Project is planned for a site located on the Texas A&M campus, at the intersection of George Bush Drive and Penberthy Road, adjacent to the existing Anderson Track & Field Complex. This site is currently occupied by recreational sports playing fields which will be relocated through a separate project.

The track and field stadium will be built to host track and field events ranging from high school , regional, and collegiate track meets, and championship and Olympic qualifier track meets. The facility has prominent frontage on George Bush Drive. The Aggie Track & Field Stadium Project is in close proximity to other major Texas A&M sports facilities such as the proposed new softball stadium, Kyle Field, Blue Bell Park and Reed Arena, with significant parking nearby within a reasonable walking distance.

The primary components of the stadium structure are the seating bowl, an elevated concourse that wraps around two sides of the track, an additional level of press, office and hospitality spaces on the west side, and an iconic, curving canopy that shades the seating bowl.

The new track facility will consist of 1) Spectator Facilities such as ticketing, circulation space, seating, concessions, merchandise sales, and restrooms, 2) Team Facilities such as player locker

Agenda Item No. 3.4
Agenda Item Briefing

rooms, players' lounge, meeting rooms, training rooms, treatment rooms, storage space, and coaches' offices, 3) Event Facilities such as competition areas, drug testing, weigh-in, impound, and storage rooms, and 4) Media Facilities including broadcast compound, press box, and interview areas.

The project will require site preparation, utility extensions, walkways, service access and landscaping.

The existing track facility will remain and be updated with a state-of-the-art surface and used for practice and competition throwing events.

The current schedule calls for substantial completion of the Aggie Track & Field Stadium Project in December 2017. The total project budget is \$39,800,000.

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 Track & Field 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 Track & Field Stadium Project, Texas A&M University, College Station, Texas (Project No. 02-3184)

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 Track & Field Stadium Project for Texas A&M University with an FY 2016 start date is approved.

The project scope along with a project budget of \$39,800,000 for the Aggie Track & Field Stadium Project is approved.

The amount of \$9,500,000 is appropriated from Account No. 01-083536, Revenue Financing System Debt Proceeds (Stadium Revenue Funds), the amount of \$15,000,000 is appropriated from Account No. 01-083536, Revenue Financing System Debt Proceeds (12th Man Gifts-Reserves & Stadium Revenue Funds), the amount of \$11,336,299 is appropriated from Account No. 01-083536, Revenue Financing System Debt Proceeds (Gifts), and the amount of \$3,963,701 is appropriated from Account No. 02-512124, 12th Man Foundation Athletic Gifts, for pre-construction and construction services and related project costs.

The Aggie Track & Field 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

AGGIE TRACK & FIELD STADIUM	PROJECT BUDGET
TEXAS A&M UNIVERSITY	
PROJECT NO. 02-3184	

1. Amount Available for Construction.....	\$33,200,000
2. A/E Services	2,000,000
3. CMAR Services	100,000
4. Movable Furniture, Fixtures & Equipment.....	1,800,000
5. Campus Services	500,000
6. Other Services	1,200,000
7. FP&C Project Management Fee	<u>1,000,000</u>
8. TOTAL ESTIMATED COST OF PROJECT.....	<u>\$39,800,000</u>

1. Issue A/E Request for Qualifications (RFQ) August 1, 2014
2. Issue CMAR Request for Proposals (RFP).....TBD
3. A/E RFQ Due..... August 19, 2014
4. CMAR RFP Due.....TBD
5. A/E Interviews September 18, 2014
6. CMAR Interviews.....TBD
7. Complete Schematic Design February 22, 2016
8. BOR Approval for Construction..... April 27-28, 2016
9. Complete Design Development May 24, 2016
10. 25% CD Due/Issue Package 1 – Demolition, Grading, Site Util., Foundation June 7, 2016
11. 50% CD Due/Issue Package 2 – Shell & Core June 28, 2016
12. 100% CD Due/Issue Package 3 – Interiors, Landscape, Track August 23, 2016
13. Begin ConstructionOctober 3, 2016
14. Construction Substantial Completion December 30, 2017

**TEXAS A&M UNIVERSITY
REVENUE FINANCING SYSTEM
2-3184 Aggie Track and Field Stadium
Stadium Revenue Funds**

Dates	Outstanding Principal	Principal Amount	Interest Amount	Annual Total	Coverage 1.15x
BONDS	9,595,000.00				
YEAR 1	9,295,000.00	300,000.00	455,762.50	755,762.50	869,126.88
YEAR 2	8,985,000.00	310,000.00	441,512.50	751,512.50	864,239.38
YEAR 3	8,660,000.00	325,000.00	426,787.50	751,787.50	864,555.63
YEAR 4	8,315,000.00	345,000.00	411,350.00	756,350.00	869,802.50
YEAR 5	7,955,000.00	360,000.00	394,962.50	754,962.50	868,206.88
YEAR 6	7,580,000.00	375,000.00	377,862.50	752,862.50	865,791.88
YEAR 7	7,185,000.00	395,000.00	360,050.00	755,050.00	868,307.50
YEAR 8	6,775,000.00	410,000.00	341,287.50	751,287.50	863,980.63
YEAR 9	6,345,000.00	430,000.00	321,812.50	751,812.50	864,584.38
YEAR 10	5,890,000.00	455,000.00	301,387.50	756,387.50	869,845.63
YEAR 11	5,415,000.00	475,000.00	279,775.00	754,775.00	867,991.25
YEAR 12	4,920,000.00	495,000.00	257,212.50	752,212.50	865,044.38
YEAR 13	4,400,000.00	520,000.00	233,700.00	753,700.00	866,755.00
YEAR 14	3,855,000.00	545,000.00	209,000.00	754,000.00	867,100.00
YEAR 15	3,285,000.00	570,000.00	183,112.50	753,112.50	866,079.38
YEAR 16	2,685,000.00	600,000.00	156,037.50	756,037.50	869,443.13
YEAR 17	2,060,000.00	625,000.00	127,537.50	752,537.50	865,418.13
YEAR 18	1,405,000.00	655,000.00	97,850.00	752,850.00	865,777.50
YEAR 19	720,000.00	685,000.00	66,737.50	751,737.50	864,498.13
YEAR 20	-	720,000.00	34,200.00	754,200.00	867,330.00
		<u>\$ 9,595,000.00</u>	<u>\$ 5,477,937.50</u>	<u>\$ 15,072,937.50</u>	<u>\$ 17,333,878.19</u>

Estimated issuance costs and rounding of \$95,000 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
2-3184 Aggie Track and Field Stadium
12th Man Gifts-Reserves & Stadium Revenue Funds**

Dates	Outstanding Principal	Principal Amount	Interest Amount	Annual Total	Coverage 1.15x
Commercial Paper	15,000,000.00				
YEAR 1	11,360,000.00	3,640,000.00	300,000.00	3,940,000.00	4,531,000.00
YEAR 2	7,645,000.00	3,715,000.00	227,200.00	3,942,200.00	4,533,530.00
YEAR 3	3,860,000.00	3,785,000.00	152,900.00	3,937,900.00	4,528,585.00
YEAR 4	-	3,860,000.00	77,200.00	3,937,200.00	4,527,780.00
		<u>\$ 15,000,000.00</u>	<u>\$ 757,300.00</u>	<u>\$ 15,757,300.00</u>	<u>\$ 18,120,895.00</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

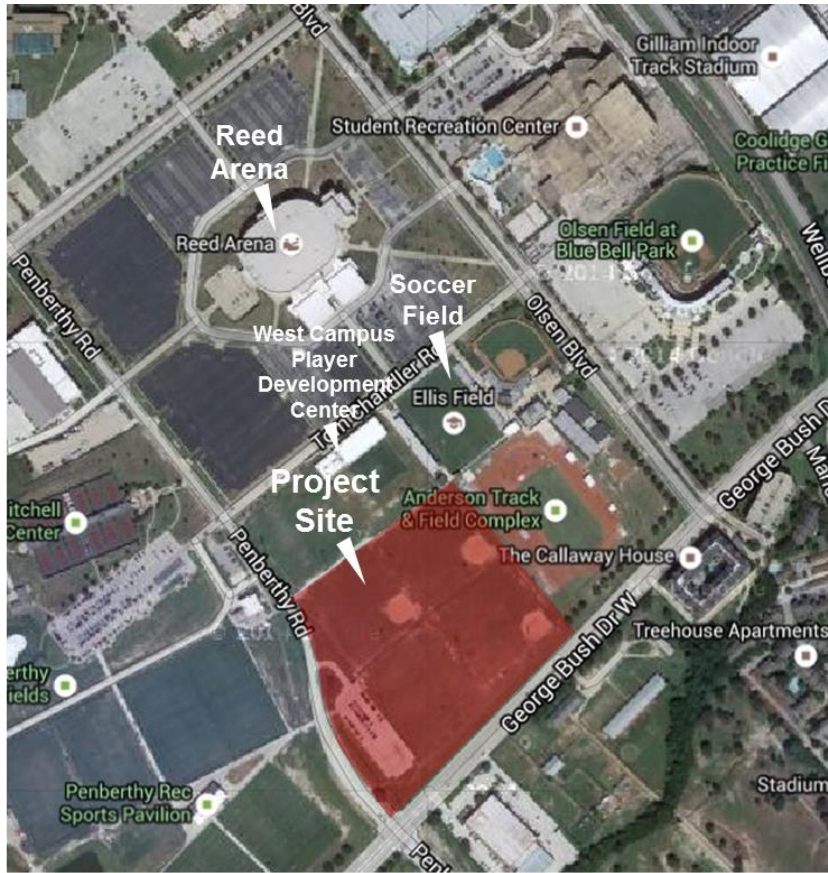
Rates are variable and subject to market change.

**TEXAS A&M UNIVERSITY
REVENUE FINANCING SYSTEM
2-3184 Aggie Track and Field Stadium
Gifts**

Dates	Outstanding Principal	Principal Amount	Interest Amount	Annual Total	Coverage 1.15x
Commercial Paper	11,336,299.00				
YEAR 1	9,157,934.00	2,178,365.00	226,725.98	2,405,090.98	2,765,854.63
YEAR 2	6,936,002.00	2,221,932.00	183,158.68	2,405,090.68	2,765,854.28
YEAR 3	4,669,631.00	2,266,371.00	138,720.04	2,405,091.04	2,765,854.70
YEAR 4	2,357,932.00	2,311,699.00	93,392.62	2,405,091.62	2,765,855.36
YEAR 5	-	2,357,932.00	47,158.64	2,405,090.64	2,765,854.24
		<u>\$ 11,336,299.00</u>	<u>\$ 689,155.96</u>	<u>\$ 12,025,454.96</u>	<u>\$ 13,829,273.21</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 Track & Field Stadium

Texas A&M University

Project No. 02-3184